Daily Report

Central Eurasia

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Thursday
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FBIS-SOV-94-057 *24 March 1994*

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NOTICE TO FBIS CENTRAL EURASIA DAILY REPORT READERS:

Various Moscow media have announced that, starting on 15 March, their Russian-language services would revert to the Russian rendering of place-names for geographic areas that were formerly part of the Soviet Union, to "protect the Russian language as a national asset." To date, the Russian media have been inconsistent in their usage of Russian and vernacular place-names. Until a consistent pattern is noted, FBIS reports will follow the Russian source's rendering of place-names. If the source rendering varies from the approved FBIS rendering (which is based on lists from the U.S. Board on Geographic Names), the FBIS approved equivalent will follow within square brackets whenever possible.

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ITAR-TASS Carries Press Review for 24 March

LD2403083194 Moscow ITAR-TASS in English 0652 GMT 24 Mar 94

["Press Review"—ITAR-TASS headline]

[Text] Moscow, March 24—The ROSSIISKIE VESTI newspaper singles out materials on growing social stratification of society. Referring to official data, the newspaper notes that "20 per cent of well-to-do population enjoys now 40 per cent of all cash incomes while 20 per cent of population in the low wage bracket has only seven per cent".

"The society's 'elite' has formed its closed circle isolated from the popular masses, working for itself and serving itself," the newspaper writes. Noting that such a situation is fraught with a social explosion, the newspaper calls for stepping up state and public control, using economic levers.

The same newspaper speaks about "an emerging course for stabilisation" in the country in another article, where premier Viktor Chernomyrdin is called its main herald. According to ROSSIISKIE VESTI, this course should not be rescribed as a rollback on reforms. It means "only a departure from radicalism to more organic development of society".

The TRUD, KOMSOMOLSKAYA PRAVDA and other newspapers single out a report on the land-crash of an A-310 plane belonging to the Russian International Airlines Company, which flew on the Moscow-hong kong route. All crew members, nine stewardesses and 63 passengers died.

In the opinion of the NEZAVISIMAYA GAZETA newspaper, an explosion is a possible reason for the tragedy. The newspaper writes that circumstances of the plane's crash are very similar to those of the Boeing's crash in 1986 over Scotland blasted by international terrorists (notorious "Lockerbie case").

The TRUD newspaper carries an interview with Russian Minister for Nationalities Sergey Shakhray who explains reasons motivating his faction (Party of Russian Unity and Accord) in the lower house to vote for the much publicised amnesty. "One cannot be a judge at his own house," he says. "The logic of civil clashes knows only one way out: an attempt for civil reconciliation."

The same newspaper features an interview with acting Ukrainian Premier Yefim Zvyagilsky, saying that some Western media fan up "a conflict" between Ukraine and Russia. "These are ravings of a madman," he stresses. "Some people are evidently very eager to direct our relations according to this scenario. But nobody will be able to sow a discord between us." According to Zvyagilsky, "close and equal relations with Russia were and remain the top priority in politics for us".

NEZAVISIMAYA GAZETA, ROSSIISKIE VESTI and other newspapers print a report on consultations between Russian and German Foreign Ministers Andrey Kozyrev and Klaus Kinkel in Moscow on Wednesday. Newspapers note that the sides concentrated on the forthcoming visit by President Boris Yeltsin to Germany this May.

Writing about a meeting in the United States of the Russian-American commission on the fate of U.S. citizens who had disappeared in the former Soviet Union, the KRASNAYA ZVEZDA newspaper carries an interview with a Russian delegation member and legislator Dmitriy Volkogonov. He expressed conviction that the participation of Russians in the commission "works for the prestige of Russia".

Newspapers write about talks, which ended in Moscow on Wednesday, between the Russian Government and the International Monetary Fund to bring closer their positions on Russia's economic policy in 1994.

Konstantin Kagalovsky, member of the IMF directors board from Russia, said in an interview with NEZAVISIMAYA GAZETA that "good personal relations" between Premier Viktor Chernomyrdin and IMF managing director Michel Camdessus were a decisive factor for the successful completion of the talks. According to the newspaper, the IMF wants the Russian side "to rationalise production" which means higher rates of privatisation and bankruptcies.

Continuing this topic, the SOVETSKAYA ROSSIYA daily reproduces a cartoon from the English-language MOSCOW TIMES newspaper where our country is depicted holding holey hat, into which the IMF tosses "the so-called system credit of 1.5 billion U.S. dollars which immediately falls through".

Baltic Foreign Ministers Issue Joint Statement

WS2303181494 Tallinn Ministry of Foreign Affairs Press Release in English 1500 GMT 23 Mar 94

[Joint statement by Ministers of Foreign Affairs of Estonia, Latvia, and Lithuania at the conclusion of their meeting in Riga on 23 March, issued by the Ministry of Foreign Affairs of Estonia]

[Text] The Ministers of Foreign Affairs of Estonia, Latvia and Lithuania issued the following joint statement at the conclusion of their meeting today in Riga:

The Ministers of Foreign Affairs of Estonia, Latvia and Lithuania met in Riga on 23 March, 1994 to discuss inter-Baltic cooperation, integration of their countries into all-European economic and security structures, relations with the Russian Federation, and ties with Ukraine.

The Ministers reaffirmed their governments' strong conviction that all ex-Soviet forces have to be withdrawn from the territories of Latvia and Estonia by 31 August, 1994. They called upon the international community to continue its vigilance that this date will be observed.

They expressed the hope that the Russian Federation and Estonia will initial the already prepared draft agreement on the withdrawal of all Russian Federation forces from Estonia during the upcoming round of negotiations in Moscow on 5-6 April, 1994.

The Ministers welcomed the entry into force of the Baltic Free Trade Agreement on 1 April and agreed that there is further room for strengthening inter-Baltic ties, including the field of agricultural trade, where a protocol to the free trade agreement needs to be signed. They welcomed the initiative to convene a meeting of Ministers of Foreign Affairs of the Visegrad states and Baltic countries to strengthen cooperation between them.

The Ministers recalled that they signed a joint letter to the European Union and the governments of the countries having associate memberships with the Union expressing the desire to be included in political consultations between associate countries and the Union. They reaffirmed that no lines should be drawn between the six associate countries, on the one hand, and the Baltic states and Slovenia, on the other, and that all 10 of these countries should have equal prospects of becoming full members of the European Union. They stressed the validity of this principle in relations with the Western European Union as well and welcomed, in this context, the Pact for Stability in Europe, which does not draw such lines.

They also welcomed the further developments within NATO's Partnership for Peace [PfP] program and reaffirmed their countries' commitment to participate actively in the development of the PfP, including through the establishement of a joint Baltic peacekeeping battalion. They also emphasized their countries' desire to eventually become full members of NATO.

On the issue of Ukraine, the Ministers agreed that the stable and democratic development of this country is of great importance to security and stability in Europe and concurred that it is of utmost importance that international assistance to this country be increased to assist its democratic development and to help reverse its economic decline.

[Signed] Juri Luik, Minister of Foreign Affairs of Estonia
George Andrejevs, Minister of Foreign Affairs of Latvia
Povilas Gylys, Minister of Foreign Affairs of Lithuania
Riga, 23 March, 1994

The three foreign ministers also signed a "Protocol on Consular Representing in Consular Posts of the Republic of Estonia, the Republic of Latvia and the Republic of Lithuania." The Protocol precedes the signing of an agreement which will allow consular posts to provide economic, cultural and other information, to protect the rights and interests of the citizens of the three Baltic states in cases of detention, death and accidents, and to issue certificates of return to citizens who have lost their identification documents.

A meeting of the expert groups of the Baltic foreign ministers took place March 22.

Germany's Kinkel Views Russian Role in Europe

LD2303193594 Moscow ITAR-TASS in English 1915 GMT 23 Mar 94

[By ITAR-TASS correspondent Mikhail Shevtsov]

[Text] Moscow March 23 TASS—German Foreign Minister Klaus Kinkel has called for giving Russia a role in establishing new security structures and new architecture of security in Europe.

Speaking at the inauguration ceremony at a retraining centre for the demobilised military in Moscow on Wednesday, Kinkel said that relations of strategic partnership should be established between Russia and NATO. He stressed that after many years of confrontation Russian-German relations are developing on the basis of principles of good-neighbourliness, friendship and partnership.

Kinkel said that the money spent by the German side to build the centre and establish a re-training programme for the military returning from Germany is a good investment in Russian-German friendship and partnership.

The German Government said it would allocate 200 million DM [German marks] to fund the programme and 7.800 million DM to finance housing construction for the military. By the end of the year the Russian military should receive 36,000 new apartments.

Kinkel noted that Germany wants the Russian troops to leave it as friends. It is also seeking to ensure the integration of democratic Russia into the international community, he added.

The German foreign minister said that Germany is looking forward to a meeting with President Boris Yeltsin, Defence Minister Pavel Grachev and Foreign Minister Andrey Kozyrev on August 31, 1994 when the last Russian troops will leave German soil.

Kinkel in turn pledged his country's commitment to getting a Russian-EU deal signed as soon as possible. He said Germany would take over the EU presidency from July 1 which would give it more leverage to influence the situation. "We are aware that Russia is in a hard position and it needs support," Kinkel said. He also spoke of receiving Kozyrev's assurances that Moscow would sign the NATO-sponsored Partnership for Peace deal.

Kinkel does not hold with widespread speculations of signs of rift between Russia and the West. "Both bilaterally and multilaterally, Russia remains Germany's reliable partner," he said. "We can say the same about Germany," Kozyrev remarked.

Kozyrev described Tuesday's talks between Croatia and Serb Kraina at the Russian embassy in Zagreb as a good sign and a step in the right direction. In his view, the Washington accords between Bosnian Muslims and Croats must be made part of a comprehensive settlement. Kozyrev called for compromise between the three warring Bosnian communities on the issue of the country's integrity.

For his part, Kinkel praised Moscow's efforts to help open Tuzla airport and create "a better environment in and around Sarajevo."

Kinkel also spoke of wanting to take part in the first session by a joint commission on the return of cultural treasures, an issue which would feature on the summit agenda though not centrally.

Yeltsin Visit Previewed

LD2303164694 Moscow INTERFAX in English 1419 GMT 23 Mar 94

[Text] President Yeltsin's forthcoming visit to Germany, due to start on May 11, will be a disappointment to "those who expect a cooling of relations between Russia and its European partners," Russian Foreign Minister Andrey Kozyrev said in Moscow on Wednesday. He was speaking at the end of talks with his German counterpart Klaus Kinkel.

Kozyrev said he and Kinkel held two hours of talks to discuss how to clear the ground for Yeltsin's visit as well as "over a score of other problems and some international issues." He spoke of German support to Moscow's approaches for cooperation with the G7 nations, the European Union and the Council of Europe.

DPRK Envoy Warns of 'Countermeasures'

SK2403041794 Moscow Radio Moscow in Korean 1010 GMT 23 Mar 94

[Text] A news conference was held yesterday [23 March] at the DPRK Embassy in Moscow. DPRK Ambassador Son Song-pil briefed Russian reporters on the DPRK Foreign Ministry spokesman's statement regarding the rupture of DPRK-U.S. talks.

Ambassador Son Song-pil pointed out that Pyongyang cannot but take countermeasures against pressure on resuming Team Spirit, an ROK-U.S. joint military exercise.

Last March, the DPRK declared its decision to withdraw from the Nuclear Nonproliferation Treaty [NPT], but temporarily suspended its effectuation of such a decision last July so as to resume talks with the United States. He pointed out that the DPRK cannot but implement its decision to withdraw from the NPT if the U.S. Administration breaks up talks with Pyongyang and resumes the Team Spirit exercise to step up the nuclear threat against the North. He added: Continuing dialogue is also in the interest of the United States. We are not in any hurry as time is on our side.

Moscow Spokesman Apprehensive

SK2403052694 Moscow Radio Moscow in Korean 1200 GMT 23 Mar 94

[From "Today's World" program]

[Text] Pyongyang's position in connection with the issue of the International Atomic Energy Agency's [IAEA] inspection of its nuclear weapons is arousing apprehension throughout world. Station commentator (Aleksey Kondrachev) writes:

What is Moscow's reaction to this matter? In a news conference, Gregory Karasin, official spokesman of the Russian Foreign Ministry, said: Moscow cannot but express apprehension over how the agreement between the IAEA and Pyongyang is being carried out. First and foremost, Pyongyang must abide by the Nuclear Nonproliferation Treaty [NPT].

Regarding the DPRK statement, Gregory Karasin said there are doubts about whether the inspections will continue. He pointed out that North Korea's remark that it will withdraw from the NPT is indeed arousing worry and apprehension around the world. Russia hopes that as a member of the NPT, the DPRK will abide by its obligations. Also, the DPRK should completely abide by the agreements reached with the IAEA.

Moscow is calling for bilateral or multilateral talks to ease the tension surrounding the Korean peninsula. In a news conference with reporters, a U.S. undersecretary of state said Washington is also calling for a diplomatic solution to the issue of inspecting the DPRK's nuclear facilities.

U.S. Secretary of State Warren Christopher pointed out that stronger measures could follow, depending on what Pyongyang does. He warned that if there is no change in the DPRK's position, the UN Security Council [UNSC] may even adopt a resolution resulting in sanctions against the DPRK.

In a news conference, Takemura Mashiyoshi, director general of the general affairs agency, pointed out that Japan is already examining what concrete measures it will take if the UNSC proclaims sanctions against the DPRK.

According to a statement by the official spokesman of the French Foreign Ministry, France recognizes that international sanctions must be taken against the DPRK.

However, Beijing absolutely opposes such a measure. In a news conference, Chinese Premier Li Peng said China consistently believes that the issue of inspecting the DPRK's nuclear facilities must be resolved not through pressure but through dialogue and negotiations.

Pyongyang's position remains the same. The DPRK is rejecting all denunciation. In a news conference in Moscow, the DPRK ambassador to Russia said it is inevitable that the DPRK will have to take countermeasures against pressure and threats from the United States.

Yeltsin Signed Kuril Withdrawal Instruction—Ilyukhin

LD2303134794 Moscow INTERFAX in English 1129 GMT 23 Mar 94

[Text] On Wednesday Viktor Ilyukhin, Chairman of the State Duma Security Committee reported to the parliament that there exists an instruction requiring the Russian Defense Ministry to prepare a plan of withdrawal of forces from four South Kuril islands. In his words, the instruction No 53-RP was signed on February 4 after Russian President Boris Yeltsin's visit to Japan, however, only that part of the instruction which talks about re-burial of Japanese citizens whose graves are on Russian territory was made public.

In Ilyukhin's estimate, this instruction to the Defense Ministry testifies to the beginning of a gradual transfer of the Kuril islands to Japan.

Ilyukhin also reported that according to available information, one company of the ground attack air forces has already been withdrawn under the pretext that it was armed with obsolete aircraft. Ilyukhin proposed to commission the State Duma Committees on International Affairs and on Defense to verify this information.

Ivan Rybkin, speaker of the parliament's lower house, reminded that on Friday Defense Minister Pavel Grachev is expected to deliver a speech during the so called "government hour." Rybkin proposed to put corresponding questions to the Defense Minister. According to a protocol, the State Duma International and Defense Committees were commissioned to verify Ilyukhin's information.

The State Duma refused to include the issue of no-confidence in Russia's government into Wednesday's agenda. This proposal was put forward by deputy Igor Muravyev (the New Regional Policy group).

While explaining his demand, Muravyev reminded that the Russian government has been acting freely without any control since October 1993. He reproached the government for failing to develop an anti- crisis program until now and for not solving the non-payment and debt crisis in the agricultural industrial complex and defense enterprises. According to Muravyev, the government was to submit the draft budget for 1994 at the moment the State Duma started its work in January, not at the end of March.

As many as 81 deputies voted for Muravyev's proposal, 106—against, and 106 abstained.

Report on Chernomyrdin, IMF 'Positive' Talks

PM2403091194 Moscow IZVESTIYA in Russian 24 Mar 94 p 2

[Aleksey Portanskiy report: "Camdessus To Recommend IMF Board Gives Russia Loan"]

[Text] The complexity of the current negotiations with the Russian Government, Viktor Chernomyrdin's unforeseen day-long absence from the capital, and, finally, the persistent desire of both parties to achieve a positive outcome forced Frenchman Michel Camdessus to somewhat bend the rules of good behavior. Instead of appearing as scheduled at 1800 hours, which was put off first until 2000 hours and then until 2100 hours, he arrived at the meeting with journalists only at 2300 hours on Tuesday [22 March]. Only the hardest of the diehards were still waiting. We did not wait in vain.

Just 20 minutes before the IMF delegation appeared in the hall of the Zubovskiy Boulevard Press Center, Mr. Camdessus revealed, he and Viktor Chernomyrdin had signed a joint statement.

The theme running through it was the idea that the Russian Government has decided to take additional steps to mobilize income for the 1994 budget. In the next few days work should be completed on the compilation of a joint government and Central Bank memorandum on the Russian leadership's economic policy for all of 1994. **Following this, the managing director [Camdessus] will be prepared to recommend that the IMF Board of Directors ratify the decision to release to Russia the second tranche of the $1.5-billion Systemic Transformations Facility.** Thus, realistically, the loan will become available during April, in M. Camdessus' opinion.

In other words, the mechanism for releasing the second tranche of the loan remains in principle the same as the one used to allocate the first tranche last June. The situation in the Russian economy a year ago was hardly any better than it is today. The composition of the government has changed. This may have influenced the talks.

The size of the budget deficit and the inflation rate at year's end were the stumbling blocks in the long discussions between the IMF chief and the prime minister and other government members. The lack of coordination between approaches and assessments initially created a sense of deadlock—something which was reported by most of the Russian and foreign media. Yet a specific result was objectively needed by both partners. V. Chernomyrdin's government needed it in order to assert its reformist image in the eyes of the international community following the departure of the reformers; the IMF needed it so as not to face an onslaught for the umpteenth time from the critics of its policy toward Russia both within the country itself and in the West. It was this convergence of interests that ultimately resulted in the positive outcome.

"We do not have a single major problem left," Michel Camdessus stated following the signing of the joint statement. So just why did the Russian budget start looking better to the IMF chief at the last minute—where did its extra revenue come from?

Necessary amendments, he explained, will be forthcoming in previously highlighted areas—certain dates for the receipt of specific revenues will be amended, and individual tariffs and taxes will be reviewed. Mr. Camdessus admitted that it has always been difficult to collect taxes in Russia and to obtain other revenue for the budget. Russians will now be helped to remedy this state of affairs by IMF experts—fiscal texts will be drawn up more exactly, and a number of additional measures to enhance the effectiveness of the tax system will also be outlined.

The draft Russian budget faces one further test in the next few days—ratification by the Duma. Budgets generally find it hard going to pass through any parliament in the world, the IMF managing director noted. In order to get a better idea of the Russian budget's chances, he also met with Ivan Rybkin and Sergey Glazyev. In M. Camdessus' opinion, the parliamentarians are prepared to adopt the budget, although there will probably be some problems.

Churkin Interviewed on Serb-Croat Talks

LD2303174694 Moscow ITAR-TASS in English 1732 GMT 23 Mar 94

[By ITAR-TASS correspondent Andrey Naryshkin]

[Text] Zagreb March 23 TASS—The talks between Croats and Serbs that ended last night at the Russian embassy in Zagreb failed to bring the sides to sign an agreement on ceasefire and withdrawal of troops from the front line.

The talks will resume next week. They will be mediated by Russian troubleshooter Vitaliy Churkin, U.S. Ambassador to Croatia Peter Galbraith and EU and UN representatives.

In an exclusive interview with ITAR-TASS on Wednesday, Churkin praised the activity of the mediators whose efforts have helped the sides pull through the hardest stages of the talks. Although no formal decision was adopted, progress is obvious, he added.

Churkin said that "previously, such meetings focused only on local truces on the line of engagement. Now we are seeking full disengagement of troops to rule out aimed fire along the front that stretches for several hundred kilometers."

"The terrain where the disengagement line should run is very difficult, while the situation, from the military and psychological point of view, bears the burden of two-year hostilities. Considering the three-month break in the

negotiation process, it was impossible to reach the pace allowing us to finish the meeting in just one day," the Russian diplomat said.

With a week to go before the next round of talks, the sides will iron out technical details and think over their arguments and position once again.

"Today's meeting has helped speed up the whole process of settlement in former Yugoslavia and I hope that this week we will be able to reach more progress in two directions—the Bosnian issue and Serb-Croat relations," Churkin said.

"The discussion was rather concrete and to the point. I think we will be able to maintain this approach at the second round of talks scheduled for March 29," he concluded.

Agreement With Lithuania on Border

LD2303175194 Moscow INTERFAX in English 1419 GMT 23 Mar 94

[Text] Moscow and Vilnius have reached agreement to set up checkpoints on the border between Russia's western exclave of Kaliningrad and Lithuania after two days of talks in the Russian capital, Russian chief negotiator Viktor Isakov told Interfax on Wednesday.

He said that experts on both sides would meet in Vilnius and Moscow next month to draw up agreements on travelling and customs procedures and on the transit of Russian vehicles and trains via Lithuania to Kaliningrad.

However, no agreement on military transit is envisaged following Lithuania's plans to adopt a special government resolution or law on the transit of military or dangerous cargoes through the country's territory. It was agreed that Russian and Lithuanian experts would meet in May to discuss the issue.

Agreement was also reached that the question of payment of foreign cash to Lithuanians holding accounts with the former USSR Vneshekonombank would be discussed at the level of experts.

The Russian diplomat said that last November's trade and economic agreement easing trade barriers against Lithuania would be effective only after the package on Kaliningrad was signed.

The next round of talks will be held in Vilnius late in April or early in May.

Latvian, Russian Chambers of Commerce Sign Agreement

LD2303151894 Moscow ITAR-TASS in English 1336 GMT 23 Mar 94

[By ITAR-TASS correspondent Sergey Staroselsky]

[Text] Moscow March 23 TASS—The singing of an agreement on cooperation between the chambers of commerce of the Russian Federation and Latvia was one of the major events of the Russian-Latvian business meeting in Moscow on Wednesday.

The document calls for assistance to business people of the two countries in developing and strengthening bilateral ties on a mutually advantageous basis. But most importantly, as Stanislav Smirnov and Albert Grozberg, chairmen of the Russian and Latvian chambers of commerce, said, is that the agreement is "the first concrete step in the development of bilateral relations since the recent initialing of Russian-Latvian accords which have resolved many problems."

Political Issues

Minister Sees 'No Apparent Reasons' For Airbus Crash

LD2403112494 Moscow ITAR-TASS in English 1047 GMT 24 Mar 94

[By ITAR-TASS correspondent Valentin Pavlov]

[Text] Barnaul March 24 TASS—"There were no apparent reasons for the air crash near Mezhdurechensk," ITAR-TASS was told by Sergey Shoigu, Russian minister for civil defence, emergency situations and natural calamities, who is now in Barnaul. According to Shoigu, the plane did not transmit any S.O.S. signals and did not report on any faulty equipment.

"We have been to the crash area," the minister said, "and, judging by the trace left by the plane, it fell without gliding, right down. A commission is now working on the spot. Our central mobile rescue team, a special company and regiment, some cross-country vehicles and helicopters, have already arrived there. According to last minute information, two flight recorders were found today at 6 hours 40 minutes moscow time. Both are deformed. Remains of the crew were found at 7 hours 45 minutes. Fifteen bodies were taken away from the crash area. Most of them can be identified.

Witnesses Claim Mid-Air Explosion

LD2303140394 Moscow ITAR-TASS World Service in Russian 1327 GMT 23 Mar 94

[By ITAR-TASS correspondent Nikolay Manvelov]

[Excerpts] Moscow, 23 Mar—Rescue teams are carrying out an on-the-spot investigation of the burnt-out debris of the Aeroflot Airbus A-310-300 which crashed last night near Mezhdurechensk in Kuzbass and measures are being taken to find out what caused the airliner, regarded as one of the world's safest planes, to crash. [passage omitted]

Representatives of the Russian airlines' ground services state that no technical malfunction was registered on board the airliner prior to its flight. This is the reason why foreign news agencies speak of an act of subversion on board the plane. Some local residents, who saw and heard a mid-air explosion, are also of the same view. [passage omitted]

Airbus Seen 'Trailing Smoke'

PM2303190294 Moscow KOMSOMOLSKAYA PRAVDA in Russian 24 Mar 94 p 1

[Report by Tatyana Cherkasova under the general heading "Death in the Russian Skies": "Kemerovo Calling"]

[Text] The Novokuznetsk air traffic controllers were the first to get worried: At about 0100 hours local time on 23 March, a plane traveling on the Moscow to Hong Kong route stopped responding to radio signals. All attempts to contact the crew from the ground or the air proved fruitless. The chain of tracking points, Yekaterinburg—Novokuznetsk—Krasnoyarsk, showed that the last of these points had received no signals from the plane. Weather conditions, by Siberian standards, were ideal for the time of year: With a temperature of minus 5, visibility was 10-12 km.

At 2310 hours Moscow time, an AN-12 plane and an MI-8 helicopter took off from Mezhdurechensk. After 20 minutes the pilots located a burning section of taiga approximately 17 km south of the taiga settlement of Mayzas. This is a sector of dense, neglected taiga where timber cutting stopped 20-30 years ago. A snow cover 1.5-2 meters thick and dense growths of young fir, spruce, birch, and willow make the locality virtually inaccessible for aircraft landings.

Although journalists are strictly prohibited at the disaster site before the special commission starts work, our Mezhdurechensk colleague Vasiliy Gorbunov managed to get there with a rescue party. Here is what he said:

"The first impression, as you approach, is a very strong smell of kerosene. You look around—and it's spooky: a heap of small debris. It looks like the plane literally broke into smithereens. The smallest fragments are scattered over the side of the hill in a band 100 meters wide, stretching for approximately half a kilometer. The biggest fragment of the starboard side which I saw is 3 by 4 meters. Bodies? Nearly everything that is left of the people is deeply embedded in the snow. You can see arms here, legs there, torsos there. If—God forbid—the frost deepens, the boys will have to work with crowbars to dig the remains out of blocks of ice. In these places, the worst thought is this: Why are objects more durable than people? Scattered all over the place are beer cans, bags, items of clothing, dollars.... I could not tear my eyes away from a brightly colored Easter egg: Someone was preparing for the holiday."

There has been a report that the plane's descent was directly observed from the ground by the driver of a timber truck who was stuck on the Orton to Mayzas road. He was changing a wheel, when there was a loud booming noise in the sky. Then he saw a plane trailing smoke, trying to maneuver, probably so as to make a landing on the hillside. A few minutes later there was an explosion....

The prosecutor's office is carefully studying the evidence of the witness, whose name we have not yet managed to discover. That is not surprising: This region of the Kuzbass is inhabited mainly by citizens who are serving sentences for various kinds of crime.

Yeltsin To Return to Moscow After 'Nice' Vacation

LD2403150894 Moscow ITAR-TASS World Service in Russian 1405 GMT 24 Mar 94

[By ITAR-TASS correspondent Tamara Zamyatina]

[Text] Moscow, 24 Mar—The Russian president had a nice vacation in Sochi, he is cheerful and full of energy. We are getting ready to meet him in Moscow next weekend. This was reported today by Sergey Filatov, the leader of the administration of the head of state, in an interview to an ITAR-TASS correspondent.

In his words, he phoned Boris Yeltsin in Sochi today, but the president, together with his aide Lev Sukhanov were on the tennis court at the time. In response to a question by an ITAR-TASS correspondent asking why, during the vacation, Yeltsin does not talk to the press—as leaders of other states do, and thus gives grounds for rumors about his ill health—Filatov answered: There are as many characters as there are people. Boris Yeltsin is not Bill Clinton, and he has the right to his own style of behavior.

Shokhin Appointed Deputy Prime Minister

LD2403081994 Moscow ITAR-TASS World Service in Russian 0727 GMT 24 Mar 94

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow, 24 Mar—By decree of the Russian Federation president, Aleksandr Shokhin has been appointed deputy prime minister of the Government. Viktor Chernomyrdin reported this today at the sitting of the Presidium of the Russian Federation Government. The new deputy prime minister will supervise the block of economic issues.

To Pursue Economic Stabilization

LD2403112794 Moscow Radio Rossii Network in Russian 1000 GMT 24 Mar 94

[Text] Aleksandr Shokhin, appointed deputy prime minister of Russia, plans to pursue an active policy of economic stabilization. He said at a sitting of the government presidium that the policy of economic stabilization should lie in implementation of the most promising projects capable of bearing fruit in 1994-1995. The deputy prime minister believes that if such a policy is carried out, within a year the slump in industry will reach 12 percent, while the gross domestic product will be 80 percent of the 1993 level. If this happens, Shokhin predicts that the monthly rate of inflation could reach seven to nine percent by the end of the year. The deputy prime minister believes it necessary to mobilize all means of increasing the revenue side of the budget.

Main Security Directorate Chief Becomes Minister

MK2403092094 Moscow KURANTY in Russian 24 Mar 94 p 1

[Yan Ulanskiy report: "Special Appointment"]

[Text] Russia has a new member of the cabinet of ministers—Mikhail Barsukov, head of the Russian Federation Main Security Directorate [MSD].

Having been elevated to the level of a ministry, his agency continues to perform the functions of guarding the Russian establishment. No one, however, knows how wide its powers are because MSD activities are guided by a classified statute. In the opinion of acting Constitutional Court Chairman Nikolay Vitruk, at the present moment the MSD can bring pressure to bear on any, the most senior politicians of the country. Indeed, in Vitruk's words, the MSD "is in charge" not only of bodyguards but also of government limousines, special communications facilities, health centers, stores, tailoring establishments, and the other goodies of former special distributors.

Thus, on the one hand Minister Barsukov is supposed to take orders from the premier and his vice premiers. But on the other, it is on himself that all of them depend.

Shakhray Claims Amnesty Forestalled 'Crisis'

PM2403101894 Moscow TRUD in Russian 24 Mar 94 Night Edition p 1

[Interview with Sergey Shakhray by TRUD political observer Yuriy Lepskiy: "Sergey Shakhray: You Cannot Be the Judge at Your Own Trial"]

[Text] [Lepskiy] You, or rather your faction in the Duma, initiated the amnesty, which caused a great stir. What made you do it?

[Shakhray] Yes, we voted for the amnesty, but unfortunately it did not turn out to be quite so easy to explain our position in the mass media. Alas, in the period of the election campaign we encountered the concept of "democratic censorship".... So I am grateful to the very popular TRUD for the opportunity to express my view on this matter.

So, I believe that we voted absolutely correctly. And it was not a sudden decision on our part. We had been committed to it for quite a long time, since the founding congress of the Party of Russian Unity and Accord, since 17 October 1993. The essence of our position is that we regard the events of 3-4 October in Moscow as an episode of civil war. And the responsibility for it is borne equally by all branches of federal power. They failed to reach agreement, they failed to prevent the loss of 150 lives. Civil conflicts like this cannot be assessed by means of juridical rulings and court verdicts. You cannot be the judge at your own trial. The logic of civil confrontations knows only one way out: the quest for civil

reconciliation. Everyone must show repentance to the relatives of those who died, create humane conditions for those who survived, and try in future to minimize the negative consequences of the conflict. That is what must be done. And that is what we were guided by when we voted for the amnesty. But that is not all. TRUD readers should know that at the same time we voted for the memorandum on accord and for the decree on disbanding the parliamentary commission to investigate the events of 3-4 October.

[Lepskiy] Were the possible consequences of the amnesty studied beforehand?

[Shakhray] Of course. This was a political decision, and in politics you have to know how to "calculate" how a situation will develop many moves ahead. We predicted that two main trends would emerge after the amnesty. First, the possibility of closer cooperation between the president and the State Duma. We were working on the basis that the majority in the Duma will fulfill its election promises with the help of the amnesty, and that the "Lefortovo" politicians will be at liberty. But at the same time in the Russian political theater's 1994 season they only have the opportunity to be spectators, since all the roles have already been assigned. Neither Zyuganov nor Rybkin is going to give up his post and his influence to Khasbulatov, Rutskoy, or anyone else. So, like it or not, the interests of the Duma leaders and the interests of the president temporarily coincided: The freed men are restricted in their opportunities to engage in effective political activity.

Second, we were working on the basis that the political climate in society is today determined by three groups (or elites): the Moscow, the regional, and the sector group. In the sector group, the leading role is played by the military-industrial and oil-and-gas complexes. The sector and regional elites have recently been cooperating actively and coming together as a counterweight to the Moscow elite. The latter, preparing for a new division of powers, has concentrated more than 70 percent of Russia's banking capital in its hands. And now the country's political climate will be determined by how relations develop between these groups—peacefully or otherwise. These "mainsprings" and "levers" will control all political events of any importance in the near future.

Prior to the amnesty the mood was such that in April-May there would have been a round of acute political struggle, and the victim would have been Viktor Chernomyrdin's government. The political figures who have come out of jail have "tangled" the threads of these plans. Thus society has won a respite for a few months, and the May crisis will most likely not take place. Heaven knows, we should use this respite to achieve accord and peace.

[Lepskiy] When you talk about peace and accord, are you thinking only of the possible events in Moscow?

[Shakhray] Not only. Take, for instance, another consequence of the amnesty—Khasbulatov's return to Chechnya. Things could hardly get any worse in Chechnya. And if Khasbulatov sees with his own eyes how people are living, what a disastrous situation the Chechen people are in, then I do not think it is impossible that he will help promote the negotiations process and the normalization of relations between Chechnya and Russia.

[Lepskiy] So how do things stand as regards the drafting of a memorandum or pact on civil accord?

[Shakhray] Well, strictly speaking, the Duma has already adopted a memorandum on accord. It is another matter that the president has set the problem of drafting another document—a pact (let us call it that) on civil peace. I very much wish to hope that this will not be an alternative to the document already adopted by the Duma. If it is an alternative, we will soon find ourselves with... a war between pacts on civil peace.

[Lepskiy] As I understand it, the president wants this document to be signed by people from the "risk group"—those who have come out of Lefortovo and other old hands at organizing dangerous May Day parades....

[Shakhray] I am in favor of the document being signed by representatives of all the really active political forces without exception. Including the people who have come out of Lefortovo.

[Lepskiy] The whole question is, is such a compromise really possible? Does your personal experience of work in the Duma persuade you that compromise is possible?

[Shakhray] Unlike the former Supreme Soviet, the State Duma is quite well structured politically—there are factions representing the parties. And—a very important point—no one faction has a sufficient majority of votes to push through its own version of a legislative decision. For a decision to be adopted, whether you like it or not, you have to seek a general consensus. So the Duma council has arisen—something in the nature of a permanent conciliation commission. This is a very important component in the future machinery of accord. I hope you and I will live to see the day when this machinery will operate smoothly everywhere. In any case, at the moment I can only say that given the will and a sense of responsibility, social peace can be achieved.

Shakhray Not To Run for President

LD2303132394 Moscow ITAR-TASS in English 1301 GMT 23 Mar 94

[By ITAR-TASS correspondent Nikolay Styazhkin]

[Text] Stavropol March 23 TASS—Sergey Shakhray, Russian minister for nasionalities said he will participate in the presidential campaign only as a voter. He believes he has to learn a great deal and accumulate experience

before becoming ready for nomination. Sakhray said this in an exclusive interview to Stavropol radio.

A number of problems regarding the improvement of the economic, social and political situation in the multi-ethnic region on the northern Caucasus was raised in the interview. The settlement of the drawn-out Ingush-Ossetian conflict is quite realistic on a basis of agreements signed last year by plenipotentiary Ingush and Ossetian delegations, Shakhray believes. However, practical implementaion of these fundamental thoroughly-considered documents is yet far off.

The Ministries of Defence and Interior of the Russian Federation have not yet fulfilled the provisions of the Russian president's decrees and Kislovodsk agreements regarding disarmament of unlawful units and confiscation of arms from both conflicting sides. At least armoured equipment should be urgently withdrawn from the zone of the conflict, Shakhray said.

Sakhray also toughed upon Chechen problem. He said the experience on the development and signing of a treaty between Moscow and Tatarstan should be used for this.

Rutskoy Interviewed on Coup Rumors

BR2303143494 Rome IL MESSAGGERO in Italian 23 Mar 94 p 11

[Interview with former Russian Vice President Aleksandr Rutskoy by Roberto Livi in Moscow; date not given: "Rutskoy: I Will Be the One To Challenge Yeltsin"]

[Excerpt] Moscow—[passage omitted] This question was necessary: What did Rutskoy think of the rumors about the coup? And also about the accusations addressed to him? Rutskoy gets off to a flying start: "It has all been invented in order to take attention away from the serious crisis that the people in the country are experiencing. The men in the regime are looking for a scapegoat. This is what happened in 1991 when the Communist Party was destroyed because it was becoming too much of a nuisance. Then the same thing happened again the following year in 1992. The target was the Supreme Soviet. In October 1993 they shelled Parliament. Now once again they want to eliminate those who are a nuisance. Nobody planned a coup because there has already been one."

[Livi] In practice, are you saying that the president's men were the ones that spread the rumors about the coup?

[Rutskoy] I do not know who spread the rumors. What I can say is that it is all an act. I am sure that it is a farce.

[Livi] The alarm, the threat of destabilization: Everything points to a degenerating situation. What are your forecasts for the future?

[Rutskoy] Forecasts? The term sounds excessive. But this instability, this making the boat rock from one side to the other, the underhanded political games: These usually have a bad ending.

[Livi] Do you think that there could be a repetition of what happened last October, i.e., a hard and bloody confrontation?

[Rutskoy] Everything seems possible today. God save us, however, I would not want to experience those events again. I have had enough time to think over what happened and to draw my conclusions.

[Livi] Which?

[Rutskoy] That the current situation in Russia is a difficult one. But we must not dramatize. A remedy can be found. As long as we act on basic territory, the economy. As long as the people do not have enough to eat, as long as they do not have houses, medicine, and the security of stable laws, there is no talk of this. The state must regain control of and manage the economy. The reforms, incentives for production, and respect for the law must be redefined. Policy today must be based on these priorities if we want stabilization in the country.

[Livi] Is this a presidential program? Will you present yourself at the presidential elections?

[Rutskoy] Keep calm. Perhaps those elections have already been announced without my knowing anything? First, we must get to the elections. And then it will be necessary for somebody to propose my candidature. In that case we will see. I am ready, I have stated clearly what my positions are.

[Livi] The new center-left "Agreement for Russia" opposition front is not looking at you as a candidate, then?

[Rutskoy] According to me, all the political and social movements that are developing in the capital do not have a great deal of influence on the current situation. As I said before, the stability of Russian society depends only on the solution of vital problems: i.e., economic ones.

[Livi] How do you feel? Already president; vice president, as you were before last October, or former vice president?

[Rutskoy] It depends on how one judges the events of last fall. If the coup (by President Yeltsin—IL MESSAGGERO editor's note) is considered legitimate, then I am the former vice president. But if it was against the law—and is to be considered such according to the Constitution of the Russian Federation—then I remain vice president. However, according to the law I am a Russian citizen, with all the rights that derive from this. [Rutskoy ends]

There is no use insisting. The bodyguards form an impenetrable ring. The cameramen who try to break through are pushed back, somebody in the crowd falls

roughly on the ground. Rutskoy has said what he wanted to. That he is not the candidate of a party, but of a vast popular protest front. That he is the anti-Yeltsin for the people who cannot make ends meet today and who want to put an end to the "new rich" and the mafia. The czar of the ultranationalists, Zhirinovskiy, will have a tough nut to crack. [passage omitted]

CI Staff Informed Leadership About Coup Plot Memo

MK2403090094 Moscow NEZAVISIMAYA GAZETA in Russian 24 Mar 94 p 1

[Andrey Streletskiy report under the "Special Services" rubric: "Federal Counterintelligence Service Knew About the Coup 'Version' and Informed Russian Leaders About it in Advance"]

[Text] The Russian Federal Counterintelligence Service [FCS] had the text of the scandalous document at its disposal several days before the so-called "Version No. 1," with the details of an alleged coup d'etat being prepared in the country, was published in the press. More than that, the text procured by FCS officers had been immediately forwarded to "the top"—to the Russian president's staff. The authorities, therefore, did know about the planned publication, but preferred to take no preemptive measures thus unwittingly helping the noisy scandal erupt.

In the FCS Public Relations Center, they would not tell your NEZAVISIMAYA GAZETA correspondent in detail about precisely how the chekists had managed to obtain "Version No. 1." FCS officers are currently going ahead with operation-technical measures with experienced specialists taking part whose task is to locate the author of the text. According to Aleksandr Mikhaylov, head of the FCS Public Relations Center, "it is extremely difficult to determine the circle of politically interested persons because 'Version No. 1' contains far too much downright gibberish." It is the document's gibberish quality, as well as the fact that it was promptly sent over to the president's staff, that made FCS officers believe there would be no scandal. Nevertheless their prognosis was not justified. This probably did not surprise professional chekists much. Many of them have long been complaining of the fact that the country's leadership often either ignores "hot" information coming from the security organs, or having taken the information to consideration it takes absolutely inadequate measures. "This happens every time—we suggest one thing but they do something totally different," chekists complain.

In the FCS they predict that the bad example set by the authors of "Version No. 1" would be emulated by numerous "graphomaniacs with a political itch." Thus more "versions" may surface in the near future. The counterintelligence service vows to monitor closely the circumstances in which they come to see the light of day.

Kokoshin's Financial-Industrial Group Idea Under Way

MK2403111094 Moscow NEZAVISIMAYA GAZETA in Russian 24 Mar 94 p 4

["F.O." report under the "In Brief" rubric: "Creation of Financial-Industrial Groups Gets Moving"]

[Text] A session of the interdepartmental commission on the formation of financial-industrial groups chaired by First Vice Premier Oleg Soskovets has taken place in Moscow. One of the men behind the idea of the formation of financial-industrial groups in our country back in 1991 was Andrey Kokoshin, today's Russian Federation deputy defense minister. In a commentary for NEZAVISIMAYA GAZETA Andrey Kokoshin pointed out that given today's budget and financial crunch it is extremely important to create financial-industrial groups. They may ease the pressure on the federal budget. The establishment of financial-industrial groups is one of the necessary conditions for progress in capital investments in industry, for getting industry circulating capital from budget funds. The formation of financial-industrial groups as components of a market-based economy depends in the first place upon the enterprises of the defense complex which are becoming diversified. The most probable potentially powerful financial-industrial groups, in experts' assessment, are the Ilyushin Design Bureau and Voronezh Aviation Plant.

Nemtsov Dismisses Proposed 'Memorandum of Accord'

PM2303142994 Moscow ROSSIYSKIYE VESTI in Russian 23 Mar 94 p 1

[INTERFAX report: " 'The Fate of Such Documents Is Well Known'"]

[Text] According to Boris Nemtsov, governor of Nizhniy Novgorod (Volga Region), "it is naive to put one's trust in a memorandum of civil accord in Russia."

Commenting on Monday in an INTERFAX interview on the Russian leaders' statement on the need to prepare a memorandum, the Nizhniy Novgorod governor said in particular: "Maybe I am not on the right wavelength, but it seems to me it is a pointless exercise."

"We have had similar memorandums before," B. Nemtsov went on. "Many roundtables were held in the President Hotel (in Moscow) in Khasbulatov's time and a memorandum of accord between the Supreme Soviet and the government was adopted, but, unfortunately, the political fate of these documents is well known." According to the governor, the historical value of these documents is "nugatory, because they possess neither legal, nor any other status making them binding."

Economic Issues

Chernomyrdin—Budget Complete, Ready To Work With Duma

LD2203201294 Moscow Ostankino Television First Channel Network in Russian 1800 GMT 22 Mar 94

[Interview with Russian Prime Minister Viktor Chernomyrdin by Arkadiy Melkonyan at the airport in Sochi "prior to leaving" on 22 March—from the "Novosti" newscast—recorded]

[Excerpt] [Passage omitted] [Melkonyan] Tell us: You discussed the budget; what is the ruble's fate, this year at least?

[Chernomyrdin] I must tell you that we are not supporters of holding the ruble exchange rate, it—I mean the dollar rate—it must be realistic so that we do not crush our exporters. This we will not do. So, with regard to the budget, we have just submitted it.

[Melkonyan] But this year...

[Chernomyrdin, interrupting] We have submitted it to the Duma. We agreed it and worked on it before this. The talks today and yesterday were, I think my sixth set of talks with the president during which we stipulated everything: what is in the budget, what should be given the main emphasis, what we should not omit, where our main priorities lie. And so we finished such a budget today, submitted it, and I think that we will work with this Duma, with this Federation Assembly. We will work and not just wait for someone to do something or other. We will work.

Chernomyrdin on Dollar Exchange Rate, IMF Talks

LD2303160794 Moscow Mayak Radio Network in Russian 1424 GMT 23 Mar 94

[Excerpt] The journalists accompanying Prime Minister Chernomyrdin [during his visit to Maloyaroslavets] could not refrain from asking about both tomorrow's government sitting and yesterday's talks with the IMF. Chernomyrdin gave his forecast on the dollar exchange rate. In his view, the dollar will reach 3,000 rubles by the end of the year. Moreover, Chernomyrdin said that the government does not intend to take, as he put it, uncivilized measures or to artificially curb the rise in the dollar exchange rate any more. Chernomyrdin stressed that there will be no further mass interventions. We will proceed in a normal and civilized manner.

Regarding the IMF talks, Chernomyrdin believes that the IMF has now supported the government's present policy and that there are no disagreements on the main parameters of the budget after yesterday's talks—which, to remind you, ended late last night, after 2300. The agreed parameters are as follows: A monthly inflation rate of about seven percent by the end of the year; a federal budget deficit of about nine percent of the gross domestic product.

Lastly, replying to a question from journalists about tomorrow's government sitting, Chernomyrdin said that no changes would be made to the draft budget submitted to the Russian State Duma following the talks with the IMF. [passage omitted]

Yeltsin Advisor Views 'Alarming' Situation

PM2403111194 Moscow ROSSIYSKIYE VESTI in Russian 24 Mar 94 p 1

[ITAR-TASS observer Tamara Zamyatina report on interview with Aleksandr Livshits, head of the Russian Federation president's group of experts, especially for ROSSIYSKIYE VESTI; date, place not given: "What Is Needed Today Is Not New Superprograms but Political Will To Implement Our Own Decisions"]

[Text] The present economic situation is not unequivocally bad, although it is alarming, Aleksandr Livshits, head of the Russian president's group of experts, believes. "Despite the fact that a fall in production was predicted during the transition to the market, today it does not have any clearly expressed signs of a structure whereby individual sectors develop rapidly, while others wind down because they are no longer needed," the doctor of economic sciences noted in an interview with your ITAR-TASS observer. Nevertheless, he believes, the government is in a position to work efficiently without introducing any kind of emergency measures in the economy.

Responding to criticism from opponents, who see nothing new in the presidential message or the government program based on it, Aleksandr Livshits stressed: "I am convinced that it is not superprograms that are required of the government, but the implementation of commitments and its own decisions that have already been adopted." "Everyone who is now trying to propose a new program of action to the government is actually not wishing it well," the expert believes, "because what we need at the moment is not alternative ideas, but political will to perform the tasks facing us."

As for the presidential message, then, from what Aleksandr Livshits said, the publication of this document has made it possible to offer society a considered strategy of action, whose absence has been sharply felt since the beginning of the transition to the market. According to the expert, this is the basic innovation of the course. Second, the "innovation of the message, as an initiative proceeding from the president, lies in the fact that it proposes to plan a policy to track the price of reforms. This means that the period of ramming methods of reform is over and the period of considered actions is beginning," the leader of the group of experts noted.

Third, he went on, the economic section of the message has been met with "a moderately approbatory reaction by all political forces apart from those who want to privatize the entire economy within a month, or to reestablish the State Planning Committee and the State Committee for Material and Technical Supply in the same month." Thus, my interlocutor summed up, the president's message meets the expectations of the majority of society.

Shafranik: Government Not Planning Cut in Oil Exports

LD2303192194 Moscow ITAR-TASS in English 1854 GMT 23 Mar 94

[By BUSINESS-TASS]

[Text] Moscow March 23 TASS—"Russia has no plans to cut oil exports to foreign countries. No such plans have been made in the Russian Ministry of Fuel and Energy for the next few years either," Russian Minister of Fuel and Energy Yuriy Shafranik said.

In an interview with BUSINESS-TASS on Wednesday, Shafranik said that "the results from oil sales should cover the expenses. This is what the ministry has been guided by while holding consultations with its partners and OPEC and assessing the European Market."

OPEC, Organisation of Petroleum Exporting Countries, plans to discuss at its session in Geneva on March 25 the possibility of a five-per cent cut in export quotas for member countries. If approved, Russia will be offered to cut its oil export by five per cent.

"The European market is saturated, but we will fight for it," Shafranik said.

Russia cannot transport all the oil extracted by joint ventures. Additionally, the ministry has many requests from Western partners for additional oil supplies. With this in mind, the ministry plans to suggest establishing a Baltic oil consortium in the Timano- Pechora region in order to penetrate the Baltic and Finnish oil markets.

The Russian oil industry also plans to expand operations to tap new oil deposits in the Irkutsk region, Kazakhstan, Turkmenistan, Azerbaijan, Uzbekistan and Nigeria and boost activity in Vietnam where Russia extracts about 20 million tonnes of oil annually.

'No Crisis' in Energy Complex

LD2303215194 Moscow Russian Television Network in Russian 1700 GMT 23 Mar 94

[Video report by correspondent A. Pishchayev, including recorded comment by Yuriy Shafranik, Russian minister for fuel and power engineering; from the "Vesti" newscast]

[Text] [Shafranik] We think that in the actual fuel and energy crisis...[pauses] in the fuel complex, there is no crisis and never was.

[Pishchayev] That is how Yuriy Shafranik described the situation in the fuel and energy complex at a news conference at Government House. Incidentally, he pointed out that there was, nevertheless, a slump in production, but it was caused by a fall-off in demand. There was a general downturn in production in the country's industry in 1993 of up to 16 percent, but in the fuel and energy complex it was no higher than seven, although in other sectors of the national economy the slump was considerably higher.

In the minister's view, the main reason for the difficulty lay in the crisis of the financial system and in the insolvency of consumers. They owed the fuel and energy complex a total of some 16 trillion rubles. As in other sectors of the national economy, the way out of the situation is seen as being through the consumer's initiating direct ties with the producer and, in the actual fuel and energy complex, through assigning priority to payments for fuel and energy resources and strict sanctions against nonpayers. If the question of nonpayment were settled, Yuriy Shafranik remarked, the lowering of fuel prices would be guaranteed.

Trying to persuade journalists that everything was well in the fuel and energy complex, the minister announced that checks had been made into the financial activities of organizations, including Rosugol [Russia Coal], that make up the fuel and energy complex. No serious irregularities were found there.

Dubinin: Inflation Down; IMF To Cover Deficit

LD2303201694 Moscow Russian Television Network in Russian 1700 GMT 23 Mar 94

[Text] The Finance Ministry has compiled the state budget, which has been approved by the government, Sergey Dubinin, head of the ministry, has said. The budget will be submitted for consideration by the State Duma. Speaking about the situation in the financial sphere, the minister noted a slackening of the pace of inflation. In December, inflation amounted to 12 percent a month, whereas in February, it was down to 10, and, in the first half of March, to four percent. According to Dubinin, since December, the country has been living in the conditions of positive interest rates, in accordance with the discount rate of the Central Bank and other credit institutions. Despite the deepening of the economic crisis, the first two months of the year were marked by some stabilization, the minister declared.

[Begin Dubinin recording] The financial stabilization which has been so much talked about is starting to turn into something real. [end recording]

On the subject of joint work with Michel Camdessus, managing director of the International Monetary Fund, Dubinin declared that it was the work of two highly

professional teams, and the result was the provision of credit amounting to 1.5 billion dollars to balance the finances during the structural reorganization of the Russian economy.

[Begin Dubinin recording] Now we are already planning to use this credit as part of the cover for the federal budget deficit. [end recording]

Chubays on Completion of Voucher Privatization

LD2303175094 Moscow ITAR-TASS in English 1601 GMT 23 Mar 94

[By BUSINESSTASS correspondent Olga Proskurina for TASS]

[Text] Moscow March 23 TASS—The programme of voucher privatisation is the only Russian state programme which has been successfully implemented and which will be completed as scheduled," said Anatoliy Chubays, chairman of the Russian Committee for State Property, at a news conference held to highlight the end of voucher privatisation scheduled in 100 days from now.

During the 100 days left before June 30, an officially declared deadline for voucher privatisation, around 200 major enterprises are expected to put their shares on sale at all-Russia voucher auctions. Another 4,500 auction sales will be held in regional auction centre. Chubays said that a few days ago the Russian Committee for State Property reached an agreement in principle with managers of the "Norilsk Nickel Concern" to put on sale a large package of shares belonging to this enterprise.

Chubays believes that by 1 July, 70 percent of Russian enterprises would have been privatised. Around 20 per cent of enterprises might be privatised according to a new scheme developed by the Russian State Property Committee. The concept of monetary privatisation will be submitted for a discussion to the State Duma on April 5.

Chubays said that after July 1, the State Property Committee will continue to control the activities of voucher investment foundations and protect the interests of their shareholders.

Chubays Interviewed

LD2303210194

[Editorial Report] Moscow Russian Television Network in Russian at 1725 GMT on 23 March carries in its "Details" program an interview with Anatoliy Chubays, chairman of the State Property Committee, by Nikolay Svanidze. Chubays explains the second stage of the privatization process, which is due to begin in 100 days. He says the main point of the process is that cash will take the place of vouchers.

Svanidze suggests to Chubays that he has many opponents and asks him who his supporters are. The main ones, Chubays says, are the president and the prime minister. In 1993, the volume of revenue from privatization amounted to 480,000 million rubles. Svanidze challenges Chubays on his popularity in parliament over the privatization process and queries the chances of his vision of privatization being endorsed by the Duma. Chubays says he is clear of one thing: If the Duma tries to derail this process, it will rebound on it. Finally, Chubays warns people to be on guard against swindlers making capital out of vouchers they have obtained by fraud.

Chubays News Conference

LD2303234994 Moscow Ostankino Television First Channel Network in Russian 2028 GMT 23 Mar 94

[News conference by Anatoliy Chubays, deputy prime minister and chairman of the State Committee for Management of State Property, on results of the voucher privatization in Moscow on 23 March—recorded]

[Excerpt] [Chubays] As of today, under the privatization program, 15,000 large and very large industrial enterprises in Russia and more than 80,000 small enterprises comprising 70 percent of the total number of small enterprises in Russia have been turned into joint-stock companies.

I can say that at present, more than half of the gross national product in Russia is produced outside the state sector. In the remaining 100 days, we will implement the unprecedented efforts that are already under way to put up into auction in the final stage of the voucher privatization of super-efficient and super-profitable Russian enterprises. According to our plan, the 12 million people in Russia who have not yet used their privatization vouchers will receive new opportunities to do this in the period before 30 June.

We plan to hold more than 4,500 regional voucher auctions in all Russian regions, with no exception. More than 200 enterprises will be put into all-Russian voucher auctions before the end of June this year.

Moreover, and this is particularly important for us, we are talking here about unique enterprises well-known not only in Russia but also around the world. Among them are unique enterprises of the fuel and energy complex—for example, a large program for privatization of oil enterprises. Whole groups of Lukoil enterprises will be put into voucher auctions in the next few months. And Lukoil is the largest oil producer in Russia, the fourth largest enterprise in Russia. [Word indistinct] Neftegaz, the Gazprom association, and the Berezka association will be put into voucher auctions before the end of the year. Large and efficient motor vehicle works, as well as many enterprises of the military-industrial complex, will be put into voucher auctions.

All this has become a reality today. And all this has been reflected in official documents, inter alia in documents, according to which, as many as 50 efficient enterprises will be put into voucher auctions in Moscow alone in the

next one and a half or two months. I have signed an instruction that approves the schedule for holding these voucher auctions in the very near future.

There is yet another enterprise that will be sold at voucher auctions and that I simply must mention here. This is the largest Russian enterprise, the Norilsk Nickel concern. We have reached an understanding with the concern management that in the framework of the voucher privatization the major block of shares of Norilsk Nickel will be for sale in the open market for all citizens. I think there is no need to elaborate on Norilsk Nickel. Suffice it to say that in 1993 the volume of hard currency proceeds of this enterprise alone amounted to $1 billion. Until very recently there has been nothing of the kind in the framework of the Russian privatization program. All this gives us grounds to say unequivocally and confidently that privatization has entered the home stretch and will be fully completed before 30 June. [passage omitted]

Domestic Food Prices React to Import Tariffs

PM2203135394 Moscow IZVESTIYA in Russian 22 Mar 94 p 1

[Reportby Valeriy Konovalov: "Food Suppliers Jack Up Prices. Cities Refuse Expensive Goods"]

[Text] The domestic food market has already reacted to the recent increase in import tariffs. In fact, there is no demand at the moment for the supply of food that is now much dearer and no one is in a hurry to conclude contracts on new terms.

At the Moscow government food resources department I was shown tenders for the supply of food from a number of Russian regions. The suppliers instantly assessed the situation that arose after the Russian Government introduced higher import tariffs and they immediately jacked up the prices of the products they supply. Above all we are talking about livestock products. For instance, Smolensk is prepared to supply the capital with 100 tonnes of butter at 3,700 rubles [R] per kilogram, and then another 50 tonnes, but this time at R4,200; Vologda named more or less the same prices, while Voronezh raised butter prices to R5,000.

The asking price of poultry has shot even higher—30 percent above the average world level. And this depite the fact that unlike imported chickens, which have been drawn and wrapped in cellophane, our suppliers can only provide partly drawn chickens, which will not keep for long.

IZVESTIYA's own correspondents report that you find a similar situation in other Russian regions, with suppliers asking similar prices. But just as in Moscow, purchasing agents everywhere are in no hurry to buy food at those prices. Conclusion of contracts has been suspended everywhere. We can see why.

In the first place, as the city authorities told our correspondents, at these prices the structure of supply and demand is bound to change, since the population's ability to pay is limited, so there have to be major adjustments in purchasing levels. Second, there are substantial stocks of food everywhere—in inflationary conditions purchasing agents try to make these stocks as secure as possible, so now there is no need to rush into new contracts. Finally, everyone is very confident that the president will cancel or at any rate amend the decree—its adverse consequences for Russian consumers are too obvious.

Military & Space Issues

Two Russian Nuclear Subs Collide; Little Damage

LD2403103394 Moscow ITAR-TASS in English 1006 GMT 24 Mar 94

[By ITAR-TASS correspondent]

[Text] Moscow March 24 TASS—Two Russian nuclear submarines of the Northern Fleet collided on Wednesday in the Barents Sea while training joint manoeuvres and the press service of the Russian Navy qualified the incident as "a contact" of the U-boats. Nobody was injured, the armaments and equipment of the submarines is in proper order and the radioactive situation is normal, the press service said on Thursday adding that the subs returned to their base themselves. It was earlier reported that the "contact" resulted in inconsiderable damages which pose no danger to personnel and environment.

Vladivostok Orders Halt To Atomic Sub Scrapping

LD2303154094 Moscow Mayak Radio Network in Russian 1430 GMT 23 Mar 94

[Text] Today, the administration of Maritime Kray released a statement in which it said that dismantling and scrapping of atomic submarines is to be halted at the Zvezda yard at the settlement of Bolshoy Kamen. Discharge of liquid radioactive waste stored aboard the tanker DMT-5 into the Sea of Japan is also planned. The tanker is now in a dangerous condition. The radioactive waste poses a real threat to Vladivostok and a number of areas of Maritime Kray. That was a report from POST-FACTUM agency.

Swedish Intelligence Notes Armed Forces Weaknesses

LD2303130294 Stockholm Radio Sweden in Swedish 1130 GMT 23 Mar 94

[Text] The Russian armed forces have very great problems, being short of both staff and equipment, according to a so-called analysis of the surrounding world which the Swedish military intelligence and security service

presented today. Exercises in the Russian armed forces have come to an almost total halt, says Colonel Erik Rosander.

[Begin recording] [Rosander] There is a very low degree of exercises in the units, a very small time set aside for pilots to fly, a low exercise capacity among naval units, but a high degree of exercises for the highest leadership organizations. Thus, the staff service is well trained but the units receive no training.

[Reporter] Can one talk about a tendency toward disintegration in the armed forces?

[Rosander] No, I don't think one should do that. But one could speak of a state of weakness owing to the lack of money and lack of personnel.

[Reporter] How long a period of armament do you reckon is necessary before Russian units can be deployed against a potential enemy outside the former USSR?

[Rosander] If they have the economic distribution which prevails at present, with 6-7 percent of GNP allocated to military defense, I would think that it will take a considerable time, and by that I mean in the 10-15-year perspective. But if there is reprioritization and, above all, if the economy can be put into shape, it may be quicker, of course. But the Swedish defense will always have very good advance warning before there may be any possible Russian threats. That is our assessment now. [end recording]

[Reporter] Last year, the Russian armed forces commanded more than 1.2 million men. That meant that they were 1 million soldiers short. Many units had no conscripts at all and in addition there was a shortage of young officers. The exception is the airborne troops who are still functioning as elite units. The report also notes that a militarily weakened Russia, which no longer has the capacity to counter external threats with conventioned armed forces, relies to a greater extent than before on strategic nuclear arms.

The current openness displayed by Russia makes it easier than before to gain reliable intelligence, says Erik Rosander.

[Begin recording] [Rosander] You can travel freely, you can move freely, you can visit ports, naval bases, even naval yards. As I have said before, you can even make a tourist trip to the Murmansk region which was unthinkable before the coup, or before the collapse.

[Reporter] Do you judge the information now available from open sources as credible?

[Rosander] On the whole, we think so. It corresponds well with the basic data we had before. One can draw analyses from the changes and try to assess the information. It is largely consistent. [end recording]

Defense Ministry's Kokoshin Urges More Defense Spending

MK2403091094 Moscow SEGODNYA in Russian 24 Mar 94 p 2

[SEGODNYA report under the "Army" rubric: "Andrey Kokoshin Criticizes Draft Budget"]

[Text] The results of financing the Defense Ministry in the first quarter, Andrey Kokoshin, Russian Federation first deputy defense minister, has said in an interview for SEGODNYA, show that the situation regarding budget revenues is getting steadily worse. Payments to the Defense Ministry are constantly being delayed. The government's debts to the suppliers of defense production and the military are growing all the time. At present, they stand at 3 trillion rubles. In February-March, 70 percent of servicemen did not receive their money allowances. If the current pattern of financing the industry, including defense enterprises, remains unchanged, there will be no hope to receive the revenues that are planned in the draft budget.

Approving the second-quarter budget in accordance with the estimates presented by the Finance Ministry, Mr. Kokoshin believes, would only exacerbate the critical situation regarding budget revenues; as a result, not only the Defense Ministry and the defense industry, but the entire budget sector of the Russian economy will disintegrate.

The Defense Ministry stands first of all for purposeful, joint efforts by the executive and legislative branches aimed at increasing the budget revenues. The government and the State Duma need to approve a list of emergency measures to lend substance to the budget's revenue part in a realistic fashion. In that regard Mr. Kokoshin thinks it necessary: to resolve the problems of enterprises' mutual debts by using commodities and financial bills of exchange; to make a one-time investment of money in the industry to restart the industries that have suspended production; and to pass legislation tightening punishment for tax evasion.

If these measures are taken everyone will be better off, including the Defense Ministry, Andrey Kokoshin said. If the current situation with regard to budget revenues is preserved, social turmoil and an irreparable collapse of the domestic industry are inevitable.

Praises V-80 Helicopter

LD2203210294 Moscow INTERFAX in English 1944 GMT 22 Mar 94

[Text] The Russian V-80 helicopter (the so-called "Black Shark") has great military capabilities and is competitive on the world market, First Deputy Russian Defense Minister, Andrey Kokoshin, said in an interview with Interfax on Tuesday. He announced this after a meeting with Chief Engineer of the Kamov's Construction Bureau, Sergey Mikheyev, and General Director of the Arsenyev's Aviation Industrial Organization, Viktor

Minoilenko. The participants in the meeting discussed development of helicopter construction in Russia and military technical cooperation between Russia and foreign countries.

'Psychotronic Devices' Developed For Military, Space

LD2403110994 Moscow ITAR-TASS in English 1021 GMT 24 Mar 94

[Text] Moscow March 24 ITAR-TASS—"For the past twenty years our enterprise has specialized in manufacturing psychotronic devices for arms systems and control systems for intercontinental missiles and space vehicles," deputy director of a Russian defence enterprise told the Moscow News weekly.

Deputy director Martynov also said that his enterprise and another company, whose name he did not disclose, has began to produce a physical amplifier (metathrone) Miranda, developed on the basis of fundamental achievements in the field of psychotronics.

The weekly conducted an independent research, which revealed that work indeed had been done at the plant to produce metathrones, which are regarded as a side branch of psychotronic weapons. Such devices have long been used in the American industry to locate and establish the causes of any systemic failures.

The weekly cites specialists as saying that "on September 24, 1990 an agreement was signed between the Central Intelligence Agency (CIA) of the United States and the KGB of the USSR on joint research in the field of psychotronics".

The weekly said however that cooperation in this field has not developed.

Soskovets Denies New Cosmodrome Being Built

LD2303181294 Moscow ITAR-TASS World Service in Russian 1727 GMT 23 Mar 94

[By ITAR-TASS correspondent Oleg Velichko]

[Text] Moscow, Mar 23—Oleg Soskovets, first deputy prime minister, today denied information that has appeared in the media that Russia has started the construction of a new cosmodrome in the Far East. "The matter was not discussed in the government," he said. "We are unable to ensure the normal functioning of the available launch pads, not to mention building a new one."

Yuriy Semenov, general designer of the "Energiya" scientific-industrial association, supported the position of the first deputy prime minister. He deeply believes that Russia, if it aspires to the status of a space power, will not be able to do without the Baykonur cosmodrome. In this connection, he described the current situation at Baykonur as catastrophic. The social sphere has not been provided, heating is not working, and people have not been paid wages for the previous month. Practically, he said, the whole thing runs entirely on people's enthusiasm. At the same time, one should be reminded of the fact that the cosmodrome that took 30 years to build is worth an estimated 13 trillion rubles, including worn out assets [at 1991 prices].

If we do not start restoration work before April, we will soon lose Baykonur, he said.

Oleg Soskovets expressed confidence that at the upcoming meeting between Boris Yeltsin and Nursultan Nazarbayev in Moscow they will adopt a political decision on the status and functioning of the Baykonur cosmodrome.

'Progress M-22 Ferry' Docks With Mir Space Station

LD2403092594 Moscow ITAR-TASS in English 0758 GMT 24 Mar 94

[Text] Flight Control Centre (Moscow region) March 24 TASS—The Progress M-22 ferry docked to the Mir space station on March 24, 1994 at 09:40, Moscow time. The ferry docked to the Mir complex from the side of the Kvant module. It brought fuel for the combined power pack, new equipment and foodstuffs. According to telemetering information and reports from cosmonauts Viktor Afanasyev, Yuriy Usachev and Valeriy Polyakov, onboard systems of the station work smoothly.

Federal Assembly

Generals Vow To Defend Borders 'Coinciding' With USSR

MK2303111094 Moscow SEGODNYA in Russian 23 Mar 94 p 2

[Petr Zhuravlev report under the "Hearings" rubric: "Border Guards Have Not Left the Kurils Yet. Russia Intends To Guard 'All That Coincides With ex-USSR Borders'"]

[Text] The Russian Armed Forces General Staff has received no presidential directive to prepare a plan for the withdrawal of border troops from four islands in the Kuril chain. This was announced by Lieutenant General Leontiy Shevtsov, deputy chief of the General Staff operations directorate, in parliamentary hearings on the problems of the Russian Federation state border yesterday. Answering a question from Duma security committee head Viktor Ilyukhin on such a directive, Gen. Shevtsov said that had it existed it is the General Staff operations directorate that "would be responsible for preparations for and the very pullout of troops, but there has not been even any talk on this topic." The directorate deputy head is also sure that had there been a directive, the General Staff's and Defense Ministry's reaction to it would have undoubtedly been negative. "I doubt the president could have issued such a directive without having agreed on it with the General Staff; it is too

presumptuous to do such a thing without having consulted specialists," Mr. Shevtsov underscored.

Major General Aleksey Shcherbakov, deputy border troops commander, who presented a report at the hearings, stated: "Everything coinciding with the borders of the former USSR should be guarded." In his words, "It is important to produce a series of measures to implement the law on the state border passed last April and, in particular, to step up work on giving the border validity under international law, on delimitation of waters with contiguous countries—primarily with Japan, the United States, and the newly formed states." The border with Mongolia should be strengthened, as well as in the "Arctic region." Mr. Shcherbakov is convinced that the border with the Baltic countries "should be equipped like the one with the 'far abroad.'" Besides, he stated, it is necessary to resolve the existing territorial problems with Norway, the Baltic countries, Mongolia, China, and Japan, and to preclude possible problems with Finland, Ukraine, Azerbaijan, and Kazakhstan.

Speaking about a concept of organizational development of the border troops in 1994, Gen. Shcherbakov intimated that, in the view of their commanders, the principle of forming the units sent, for example, to Tajikistan or Georgia, from volunteers should be dropped. "The border is the face of the state," he stated, adding that the volunteer service had entailed a decline in the general level of literacy, training, and health of the soldiers. Alongside this, Mr. Shcherbakov said, there is a discussion that it may be wise to alter the call-up age to 19 or even 21 years.

The resolution summing up yesterday's parliamentary hearings notes that "in the wake of the USSR's disintegration... an effectively functioning system of measures protecting the Russian Federation state border only exists where it coincides with the border of the former USSR." It is recognized as necessary to prepare by June a draft of amendments to the law on the state border so as to bring it in line with the new Constitution. The Foreign Ministry was asked, in the interests of implementing the law, to resolve, as soon as possible, the questions of giving validity under international law to the "borders with CIS-member states, as well as the question of border rules depending on Russia's individual relations with each of these states."

Duma Passes Federal Budget Law

LD2303220994 Moscow INTERFAX in English 1725 GMT 23 Mar 94

[Text] On Wednesday the Russian State Duma approved a law on federal budget spending in the second quarter of 1994. Voting results: 228 - for, 21 against and 19 abstained.

The government is to proceed from approved budget plans for 1994 in financing federal budget spending. The Central Bank should offer a 10.6 trillion ruble credit to the government to cover the budget deficit. The credit is for 10 years with repayment in equal installments beginning with 1998 at 10

interest.

The following limits on current spending on federal government bodies were set to restrict expenditures: the office of the president - 82,000 Mn, the Council of the Federation - 11,303 Mn, the State Duma - 27,754 Mn, the government - 15,180 Mn. By the 30th of May, June and July the government is to submit a monthly report on federal budget spending in the previous month .

According to speaker Ivan Rybkin, the law approved by the Duma is going to be submitted to the upper house of parliament on Wednesday. He hoped that the Council of the Federation would hold a session on Thursday and pass the law so that "the president would have it on his table on Monday".

Regional Affairs

Filatov on Talks With Chechen Official

LD2203204794 Moscow INTERFAX in English 1629 GMT 22 Mar 94

[From the "Presidential Bulletin" feature: by Nikolay Zherebtsov and Andrey Petrovsky]

[Text] The head of the Russian presidential administration Sergey Filatov has told Interfax that his meeting late on Monday with the Chechen State Secretary Aslanbek Akbulatov helped to finalize the stand of Groznyy that is suggesting its own version of the friendship and cooperation treaty with Russia.

Filatov thinks Moscow should not hurry with the meeting of the presidents of the two sides before the package of documents Boris Yeltsin and Dzhokhar Dudayev are to discuss is fully ready. IF Note: Earlier a high-ranking source in the administration of the Russian president claimed that serious talks with Chechnya would be held, if the leadership of the republic in the Northern Caucasus fulfilled two conditions put forward by Moscow: stopped accusing Russia of imperial ambitions and used the treaty signed with Tataria [Tatar Republic] on the separation of powers as the basis for the Moscow meeting.

Filatov said he informed Akbulatov about the results of the consultations between the speaker of the State Duma Ivan Rybkin and the Minister for Nationalities and Regional Policy Sergey Shakhray based on the assumption that relations with Chechnya will become a subject of parliamentary hearings.

Earlier the chairman of the Council of the Federation Vladimir Shumeyko stressed that the upper house would discuss the issue no matter whether the lower house deals with it or not.

"The council should represent all members of the Federation. It is impossible to say that Chechnya is not a member of the Russian Federation because there have been no laws on its separation", Shumeyko said.

The only expression of the attitude of the federal authorities to Chechnya, according to him, is a resolution passed by the Supreme Soviet or the Congress of People's Deputies invalidating the results of presidential elections in Chechnya. The council can discuss the resolution and raise the question of abolishing it and recognizing the election results, Shumeyko said.

Meanwhile, the chairman of the Chechen parliament Akhyad Idigov has said in an interview with Interfax in Groznyy that the summit is necessary for stabilizing bilateral relations.

Commenting on the Moscow visit by the Chechen state secretary Idigov said that the talks between Russia and Chechnya are a continuation of the constructive work in which both sides are interested. "Chechnya has not stopped active efforts to continue the process of negotiations with the Russian leadership because we are interested in normalizing both political and economic ties with Russia", Idigov said.

On the political situation in Chechnya Idigov said it is relatively stable even considering the relations between different political forces. He claimed that the economic situation has improved considerably. "All the rest will depend on what our relations with Russia are going to be like", Idigov concluded.

Yeltsin Spokesman: Kalmykia Needs Own Constitution

LD2203150594 Moscow ITAR-TASS in English 1452 GMT 22 Mar 94

[By ITAR-TASS correspondent]

[Text] Moscow March 22 TASS—The decision of Kalmyk President Kirsan Ilyumzhinov to abolish the republican constitution and conclude a "common treaty with the Russian Federation" may contradict the Russian constitution, according to the spokesman of the Russian president.

"It can be understood from the proposal of Ilyumzhinov that the talk is about a change in the status of the Republic of Kalmykia", the spokesman said in a statement on Monday, explaining that such a change was possible under the constitution only upon mutual consent of the subject of the federation and the federation itself.

"If (Ilyumzhinov) proposes to preserve the republican status, then, according to the Russian Constitution, Kalmykia should have its own constitution", the spokesman said.

"The Kalmyk president's aspiration to preserve Russia's territorial integrity may be only applauded. However, any political action, however noble its motivation could be, should be brought in line with the principles and norms of the Russian Constitution. Any other approach is fraught with substitution of the idea of expediency for the idea of law. Such an approach will have nothing in common with the challenge of building a law-governed state", the spokesman emphasised.

Yeltsin Representative on Petersburg Elections

944F0460C St. Petersburg SMENA in Russian 15 Mar 94 p 1

[Report by Svetlana Gavrilova: "Sergey Tsiplyayev: The Choice Will Be Almost Random"]

[Text] The City Assembly will be adopting the City Charter and regional laws that will be mandatory. Therefore, the City Assembly will have a very important role in our life, Sergey Tsiplyayev emphasized in yesterday's conversation with journalists in St. Petersburg.

The president's representative is concerned about the outcome of the election campaign mainly because it was not properly covered in the mass media. There is no question, remarked Tsiplyayev, that if each of the more than 700 candidates were given 20 minutes of air time, we could only pity our voters. Television debates between blocs and coalitions, however, would have helped voters make a choice.

As it stands, said Sergey Tsiplyayev, name recognition is about the only factor that can affect the choice; if there is no recognized name on the candidate list, the choice will be almost random. This was exacerbated, on top of everything else, by shortcomings in the preliminary screening mechanism, which allowed 10-15 candidates per one seat to remain on the ballot.

Political capital is not earned overnight on the eve of elections; in order to avoid the current difficulties next time, a city political elite should form. A considerable role in this may belong to the mass media, noted Tsiplyayev.

Status of St. Petersburg Elections Unclear

944F0479A St. Petersburg SANKT PETERBURGSKIYE VEDOMOSTI in Russian 22 Mar 94 p 1

[Unattributed article: "The Elections: Were They Held or Not?"]

[Text] St. Petersburg residents have never before shown such striking passivity as they did regarding the elections to the City Assembly held last Sunday. In this respect our "politicized" compatriots surpassed even the traditionally politically inert regions of the Russian hinterland. Barely one-fifth of the registered voters of St. Petersburg went to the precincts to vote the day before yesterday.

Yet, according to the statute on elections to the City Assembly of St. Petersburg, they can be considered to

have taken place only if 25 percent of the potential voters (plus one person) have participated in them.

Sunday evening, when it became clear that the necessary quorum of voters would not appear, the city's mayor, A.S. Sobchak, issued an urgent directive "On Changing the Procedure for Voting in Elections to the St. Petersburg City Assembly."

"Taking into account the appeal of the Central Electoral Commission, the sociopolitical blocs, the parties, and associations," it says in this document, "the time period for voting in elections to the St. Petersburg City Assembly shall be extended, the operation of the electoral commissions being resumed on 21 March 1994 from 0800 through 2200."

According to this same directive, the right to participate in the voting has been granted to citizens who went to school or served on active military duty in St. Petersburg.

Thus the city voted yesterday for the second day in a row and today we will find out whether, as a result of this unprecedented measure, it succeeded in passing the 25 percent mark for voter turnout.

Incidentally, even if this happens, most likely the subject of whether or not the elections to the City Assembly of St. Petersburg really took place will be discussed for a long time to come at the most diverse echelons, including the Central Electoral Commission and the courts. Because no matter what you say, a change in the voting procedure during the course of the voting itself is, we repeat, something unprecedented. And, naturally, even yesterday this and also other details of the election were at the center of the attention of the public and the voter associations of the city.

Elections Viewed

944F0479C St. Petersburg NEVSKOYE VREMYA in Russian 22 Mar 94 p 1

[Article by Aleksey Levashev: "March Bankruptcy"]

[Text] Regardless of what the final percentage of the citizens who turned out for the elections may have been, one thing is now clear: The elections failed. The St. Petersburg voter expressed his attitude toward the unprecedented farce and direct insult to elementary moral sensibilities which bore the name "Elections-94."

Not one of the possible deputies to the City Assembly could work normally. The ballot boxes, which in many precincts were left for the night unsealed and without protection, raise doubts about the legitimacy of any of them and make inevitable the litigation they will be involved in with their rivals who were undeservedly defeated.

The only way official authority, which is bankrupt in the eyes of the people themselves, can be saved would be to immediately cancel all the results of the voting on 20 March as not expressing the position of the voters. That is if you consider it in terms of jurisprudence. And as for real life...

Let this endless reading on the radio of endless lists of names of candidates remain only as a nightmare in our memories.

Let us have nothing but a memory of the 15 (!) electoral blocs made up of such mutually exclusive individuals that you automatically grab your head and ask outloud: "When were we deceived? Throughout the four years before these elections or just during the past two months of the election campaign?"

How can a bloc which bears the proud name of "Democratic Unity of St. Petersburg" and claims to represent democracy "on behalf of and on instructions from" all St. Petersburg, appeal to the mayor and request, beg from him, two or three more hours of voting, another 2-3 percent of the vote?

Has our voter really been denied his rights once again and been unable to see anyone but people who think about only one thing—about power—and aspire to only one thing—to power? How was it possible to conduct such an election campaign—without once appearing before the voter, without communicating with him even once? Which psychologists and other specialists in waging election campaigns advised the candidates to do this?

It is up to us to make sure that such a thing never happens again. We must make sure that the billions of rubles and hundreds of thousands of dollars thrown at this phantasmagoric spectacle will find a better use. For now we must live with the powers we have. "Do not count your chickens before they hatch"—even we will not manage to put the cart before the horse.

And another useful thing to remember. All discussion to the effect that some local authority we have elected in St. Petersburg will independently solve all of our problems is a fiction. As long as the present topsy-turvyness continues in Russia, local authorities will be needed for only one thing—to come another step or half step closer to the big Moscow trough that feeds all the cities, villages, and field camps of the boundless Rus with the ruble as it loses its value.

Perhaps our voter has understood this as well.

Elections Invalidated

LD2403121794 Moscow ITAR-TASS World Service in Russian 1003 GMT 24 Mar 94

[By ITAR-TASS correspondent Nikolay Kondratenko]

[Text] St. Petersburg, 24 Mar—The elections to the St. Petersburg city assembly, which took place on 20 and 21 March, are not legally valid, the city's Mayor Anatoliy Sobchak announced late on Wednesday evening, live on St. Petersburg television and radio.

Analysis of their results is a task for the future, but one thing is clear now—we got something we did not expect, he said. There was a definite negative attitude among voters to the elections, in Sobchak's opinion. As a result, the elections were recognized in only 25 out of 50 constituencies and even in these no candidate got the required 50 percent of votes. Therefore, in accordance with the law, there will be a second round of voting in these constituencies on 3 April in which the candidates who got the most votes will take part, the mayor said. Elections will be held in the other constituencies in the fall, when structures of public self government will be set up.

For the transition period it is planned to set up a public council of elected deputies and of representatives of political parties and blocs under the mayor's office, Sobchak said. This is necessary to ensure that, while there is still no assembly, the public may take part in examining all important issues in the city.

This is a forced measure, Sobchak noted, but, as the saying goes, it is an ill wind that blows nobody any good. This will allow time to test the deputies to see what they are capable of and then, perhaps in the fall, the citizens will make the right choice.

Sobchak said it was a very dangerous situation when people were being disappointed by democratic forms of state affairs. The very fact of the elections that had taken place, he pointed out, forces one to think seriously about the reasons for the passivity of St. Petersburg's citizens. This is an abnormal situation, the mayor said, and it confirms how deeply resented the previous members of the city council were, whose deputies were competing with one another to see who would cancel the most decisions by the mayor, and effectively failed to tackle the city's problems. In Sobchak's opinion, the reasons are also that the present candidates did not have their own individuality, they were unable to convince the electors, and the latter naturally refused to give them their confidence.

The mayor believes the negative result is also a reflection of the elections to the State Duma, but in the present situation the city cannot be left without its own legislative assembly. Therefore, Sobchak again appealed to the citizens to assume responsibility and carry out their civic duty in the second round of voting.

Petersburg Internal Affairs Chief Steps Down

944F0479B St. Petersburg NEVSKOYE VREMYA in Russian 22 Mar 94 p 1

[Interview with Arkadiy Kramarev, chief of the City Internal Affairs Administration, by Andrey Potapenko under the rubric "First Hand"; place and date not given: "I Leave Without Disgrace"]

[Text] [Potapenko] Arkadiy Grigoryevich, a couple of days ago you returned from Moscow where you met with Internal Affairs Minister V.F. Yerin. What did you discuss?

[Kramarev] The minister announced his decision to send me into retirement. I will not discuss this and I do not intend to do anything to oppose this intention in any way.

[Potapenko] What reasons did the minister give for retiring you?

[Kramarev] The discussion was mainly about the high level of crime in St. Petersburg and the fact that the measures taken by the GUVD [City Administration of Internal Affairs] were inadequate. A number of other complaints were made as well. For example, we discussed a letter sent by the city's mayor, A. Sobchak, to the president in which he insisted on my retirement and referred to the exceptionally grave crime situation in the city. In passing, the minister mentioned that I had had difficult relations with the mayor's office. And he thinks that these relations sometimes do harm to the cause.

[Potapenko] Expressing his complaints, the mayor recently spoke also of the notion that the GUVD chief was too politicized.

[Kramarev] Yes, and as an example he referred to the fact that I was nominated by three electoral blocs in the elections to the City Assembly. But they did not coordinate this with me. Moreover, after the well known directive from Sobchak I rejected these proposals. Nor was the mayor pleased by the fact that a number of individuals who are friends of our high-ranking bureaucrats were arrested recently. But, obviously, if we arrest someone, we do not think about whose friend they are but about whether there is serious evidence of their guilt. Moreover, if Kharchenko, Aleksandrov, or Kisilev were on the mayor's team, that cannot be said, for example, about Bondarenko.

[Potapenko] At the meeting with the minister, did you discuss your future?

[Kramarev] Viktor Fedorovich behaved like a gentleman. In the first place, he promised me that the documentation on my retirement would not mention any failures in my work. So I am leaving without disgrace.

Second, I was offered a chance to remain in the ministry and do teaching work. He mentioned the Higher School of the Ministry of Internal Affairs and the Legal Institute. Incidentally, I have had other offers as well. For example, to be in charge of a Cossack squadron. So maybe I will be a squadron leader. But, seriously, I have not thought about the future yet—it is difficult to shift gears so quickly.

[Potapenko] There has been a lot of discussion about your possible successor.

[Kramarev] One of the candidates mentioned to me was Yuriy Nikolayevich Loskutov, the chief of the fire safety school. I do not know him well enough. At one time he was in the main administration in charge of the work of the state automotive inspection, and then he left us. I think he would have a difficult time in this post since here every day it is necessary to resolve a multitude of problems related to operational investigative work, and he has no experience in that. I do not know why he in particular was mentioned as a possible candidate, and I do not want to guess.

[Potapenko] A couple of days ago on the program "Fakt" we heard that the citywide operation "Signal" is nothing but show for the purpose of making General Kramarev look good.

[Kramarev] It was a planned measure for which we prepared for several months. The Good Will Games will begin soon and we will be gradually increasing our efforts to make sure that everything is peaceful on the streets of St. Petersburg. And the fact that about 1,000 people have been assigned to us from other regions—this is an absolutely normal phenomenon. When similar measures were conducted in Vorkuta or Syktyvkar, we sent people there. So there is nothing showy here. [end Kramarev]

P.S. Another brief commentary on Arkadiy Kramarev's retirement was given to the NEVSKOYE VREMYA correspondent by the deputy minister of internal affairs of Russia, Colonel General A.N. Kulikov, who is in St. Petersburg in connection with the "Signal" operation:

"It is difficult to give a direct evaluation to the work of General Kramarev. He has more than 20,000 people under him and he is responsible for the peace and quiet of an immense megalopolis. And it happens that the leader is responsible for shortcomings in the subdivisions. I have normal business relations with Arkadiy Grigoryevich, but we have the minister over us, and in this case the mayor as well. And there is nothing that can be done here.

Vladivostok Rally Supports Ousted Mayor

944F0478C Vladivostok KRASNOYE ZNAMYA in Russian 22 March 94 p 1

[Report by Tatyana Roshchina: "Saturday Rally: Not the First and Probably Not the Last"]

[Text] Saturday's rally in defense of human rights at Vladivostok's central square attracted several thousand people. It went under the banners "Down With OMON [Special Missions Militia Detachment] Terror," "Shame on Provocateurs," and "Defend the People's Mayor."

The main theme in the speeches of the former city administrator V. Gilgenberg and a number of other former city administration functionaries, as well as figures from the Voters Association and city residents sympathetic to them, was that V. Cherepkov became the victim of a crude provocation organized and sanctioned by kray authorities and local court and low enforcement bodies. As usual, however, not a shred of proof was presented. Those who decidedly did not share this viewpoint—and there were more than enough of them—were not given the floor, naturally.

Former Mayor V. Cherepkov's address to the citizens was greeted with applause.

In conclusion, rally participants adopted an appeal to the Russian Federation bodies of state power (the State Duma, the Federation Council, the General Procuracy, and others), also addressed to all Russian Federation citizens.

In addition, the Voters Association issued a statement that in the event elections are not held on the original date of 27 March, it will hold another rally in Vladivostok at 1400 next Saturday.

From the Editors: Monday morning the kray electoral commission consultant G. Popov confirmed that, judging from the speech yesterday by kray head Nazdratenko on local radio and television (Channel 3), elections to the Kray Duma and local self-rule bodies have indeed been moved, to 23 October of this year.

Procuracy Official on Events

944F0463C Vladivostok UTRO ROSSII in Russian 18 Mar 94 p 1

[Report by M. Petrova and N. Manzhurin: "And No Loose Ends"]

[Text] Our correspondent asked Senior Counselor of Justice V.N. Chichayev, a senior assistant to the Maritime Kray procurator, for comments on everything that took place in the mayoralty:

"On 15 March a decision was made to initiate criminal proceedings against City of Vladivostok Mayor V.I. Cherepkov. And since he is a candidate for a deputy to the kray duma, in keeping with the Temporary Statute on the Elections to the Maritime Kray Duma, he cannot be the subject of criminal proceedings or subjected to administrative punitive measures imposed by the court, without a concurrence of the kray procurator. A measure to secure the appearance of the accused and other criminal process measures may be applied to a candidate only by the ruling of the kray court; therefore, the kray procurator did grant his consent. There is also a kray court ruling."

This is the process basis. The requirements of the law formally have been observed in this case.

"But was it necessary to do it all so crudely, with the help of the OMON [Special Designation Militia Detachments]?"

"Having received the procuracy investigator's decision, the kray administration had all the grounds to carry it out. In what form to conduct this action is no longer the

issue of a legal process, but a purely administrative one. If the law has been violated in the process of carrying out this decision, then the procuracy will look into it. Meanwhile, one side is standing there with posters, while the other guards the mayoralty; we do not have any problems with either. Problems will come up when unlawful actions are committed on one or the other side. So far we have not received such information.

"This is all I can say regarding the events around the mayoralty."

* * * *

To the question whether it would be possible to review the kray procurator's decision—which, by the way, had been read over kray radio—Veniamin Chichayev replied that he does not have this document in his possession and does not even know its registration number.

Just as fruitless was the search for a copy of the decision by A.I. Vysotskiy, a deputy procurator and an investigator of the Frunzenskiy Rayon Procuracy. Like kray procurator V.V. Vasilenko, he also took sick and was not in the office. As to Aleksandr Ivanovich's colleagues, they said that they do not have any documents relevant to this case.

No documents in which we were interested were at the kray administration's press service. Neither were we able to meet with deputy head of the kray administration I.P. Lebedinets, who had signed the decree on I.V. Cherepkov's dismissal and directed the operation on the seizure of the "Gray House." We were told that he probably had gone on a trip to Ussuriysk.

An interesting kind of glasnost. For the chosen only.

* * * *

We telephoned the kray court chairman, N.S. Vinogradova, and asked her to comment on the events that had taken place on the night from 16 to 17 March in Vladivostok.

"No comment; all questions should be directed to the kray procuracy," said Nina Sergeyevna. And confirmed at the same time that the court is aware of the happenings and has given its permission for such measures, based on some local-level documents....

Nina Sergeyevna refused to show the newspaper any official court document on the subject.

New Governor on Situation

944F0478D Vladivostok KRASNOYE ZNAMYA in Russian 22 March 94 p 1

[Report by ITAR-TASS correspondent Yuriy Grachev: "'People Sighed With Relief,' Maintains New Vladivostok Administration Head Konstantin Tolstoshein"]

[Text] He reported that during the first planning meeting he told mayoralty staff: "Those who do not agree to work with us may quit." "So far, not too many people have expressed such a desire," remarked Tolstoshein. He and his aides began at their desks early Saturday morning.

"We are restoring contacts with the kray administration, the rift with which has brought nothing but harm to the city," the head of the new administration told us about his first actions. "First and foremost, we intend to take care of low-income city residents, open stores for war veterans and disabled Afghan war veterans, and take care of the elderly and children."

"For over nine months the former head of the administration, Viktor Cherepkov, and his team seriously ran down the city facilities, including the building from which they managed the city," remarked Konstantin Tolstoshein. "Not to mention the documentation, which the procuracy will sort out—that is how much everything is messed up there. There were no books kept on revenue and expenditures; no proper record keeping. As a result, finances were expended irrationally."

Tolstoshein contends the newspaper BOLSHOY VLADIVOSTOK "expressed Cherepkov's interests and received at his personal directive several hundred million rubles. And this at a time of catastrophic shortage of money for social needs, and the city's municipal services are run down. Looking at their wasteful masters, lower-rank officials also did not treat taxpayers' money with respect."

"When I was asked to assume the job of head of city administration, I thought hard about it," Konstantin Tolstoshein said. "I knew it would be difficult: City residents have been deceived by Cherepkov's populist slogans and his promises. I am a native Maritime Kray resident. I began as a construction site foreman, became head of rayon administration, and then headed the kray administration's defense industry committee. I am used to tackling difficult tasks."

Duma To Investigate Clash

944F0478B Vladivostok VLADIVOSTOK in Russian 22 March 94 pp 1,2

[Interview with State Duma Deputy Viktor Zelenkin, by VLADIVOSTOK correspondent Marina Loboda; place and date not given: "State Duma Commissions Began To Frequent Vladivostok"]

[Text] Another (the third by now) State Duma commission investigating the political situation in Maritime Kray's central city arrived in Vladivostok on Sunday. Viktor Zelenkin, a State Duma deputy and member of the Russia's Choice faction, explained the commission's tasks to VLADIVOSTOK correspondent.

[Zelenkin] Events in Vladivostok have attracted quite serious attention in the Duma. Information we received in the form of communications from citizens, public organizations, and the city mayoralty, warrant concern. It was impossible to come to any conclusions on the basis

of press reports—they are too contradictory. So the only solution was to form a commission and sort things out right here; the commission includes four persons representing the Russia's Choice and Communists of Russia factions, as well as Travkin's and Zhirinovskiy's factions.

[Loboda] How do you plan to proceed?

[Zelenkin] I want to emphasize from the outset that we are not interested in the charges brought against a number of mayoralty officials by competent organs—the investigation will sort it out. We are interested first and foremost in the political and moral underpinning of the events. According to information in our possession, the kray administration's actions appear improper to us. But this has been in the works for some time: I was in Vladivostok as a member of the previous commission, and during a personal conversation the vice governor, Mr. Lebedinets, admitted that they were already preparing documents to remove your mayor—the obstacle was the kray procuracy.

[Loboda] Have you formed some opinion on the conflict of authorities in Vladivostok on the basis of results of previous commission's inquiry?

[Zelenkin] I think that the current confrontation between the kray and city authorities is just the very tip of the iceberg. The roots are much deeper, and most likely these roots are of a criminal nature. But this is only a guess; the important part right now is to study the situation. We plan a number of meetings with representatives of local authorities, law enforcement organs, and Vladivostok residents.

[Loboda] What will your commission produce?

[Zelenkin] A detailed report that will be submitted to the State Duma and the president.

[Loboda] I have to confess that today we were expecting not so much the arrival of the Duma commission as that of Mr. Zhirinovskiy, as promised by the mass media.

[Zelenkin] We guessed it as soon as we arrived at the airport: The group of journalists waiting by the aircraft ladder were clearly disappointed. It is quite alarming that some city residents pin their hopes on Zhirinovskiy to solve their problems: Just wait, he will come and settle everything. Believe me, he will not. He will only make political points for himself in your complex political situation. He will simply use you, as he always does.

[Loboda] How long are you planning to stay in Vladivostok?

[Zelenkin] As long as needed. We will certainly hold a press conference for the mass media on the results.

Kray Elections Postponed

944F0478A Vladivostok VLADIVOSTOK in Russian 22 March 94 p 1

[Article by VLADIVOSTOK correspondent Vladimir Oshchenko: "Elections Moved to the Fall. At Workers' Request, Naturally"]

[Text] At the briefing for journalists Sunday morning, Yevgeniy Nazdratenko, the head of the kray administration, and the Vladimir Ignatenko, the president's Maritime Kray representative, announced that the date for elections to the Maritime Kray Duma and local self-rule bodies has been changed.

Yevgeniy Nazdratenko said that on 19 March he signed Decree No. 116, which moves the date of elections from 27 March 1994 to 23 October 1994. Point 3 of this decree instructs the kray administration's financial services to redirect the money appropriated in the kray budget for conducting elections to Maritime Kray cities and rayons to be used for social protection of low-income citizens.

Nazdratenko said the cost of these elections to the Maritime Kray budget amounts to R3 billion. The Central Electoral Commission allocated only R600 million. "We absolutely cannot take R2.4 billion out of the local budget on the threshold of spring sowing," said Nazdratenko and, in reply to journalists' questions, added: "If there is no money for elections in the fall, we will have to move them again."

In addition, Nazdratenko reminded the gathering that a succession of court actions by a number of Maritime Kray political parties against the kray administration had been caused precisely because the parties considered it necessary to move up the elections. The kray court rejected the claims, but the parties which did not agree with the outcome appealed to the Supreme Court. "Therefore," said Nazdratenko, "we accommodated the wish of these people."

It was especially emphasized at the briefing that Decree No. 116 had the concurrence of the Central Electoral Commission.

At the same time, in the opinion of Ye. Nazdratenko and V. Ignatenko, the rights of already-nominated candidates for deputies are not violated in any way. In the fall they will have the same legal status as now, but in addition will be able to familiarize the voters much better with their views and programs. "This time will allow us to avoid the element of chance that was present in the short State Duma election campaign," said Nazdratenko.

In short, the election campaign continues.

As was announced at the briefing, Maritime Kray is not alone in its decision to move up the elections—17 Russian oblasts already have done so.

Presidential representative Vladimir Ignatenko said that postponement of elections was to a considerable extent also prompted by forecasts of lower political activity of the population, which already had manifested itself during the 12 December elections.

Ignatenko particularly emphasized that the decision to move the elections is not linked in any way to official charges the kray procuracy had brought against some officials in the Vladivostok administration and their suspension from their job for the time of inquiry. Moreover, in Ignatenko's opinion, those who are registered as candidates for deputy seats now get an excellent opportunity to explain in detail their political views and programs.

Cherepkov Proceedings Suspended

OW2403024194 Vladivostok Radiostantsiya Tikhiy Okean Maritime Network in Russian 0815 GMT 22 Mar 94

[From the "Pacific Ocean" Program]

[Text] Vladimir Kravtsov, State Duma deputy and deputy general procurator of the Russian Federation, announced last Friday that criminal proceedings against Viktor Cherepkov, mayor of Vladivostok, have been temporarily suspended. He emphasized that the matter has been suspended only until Konstantin Mavrin, general procuracy investigator for particularly important matters, arrives in Vladivostok.

Kravtsov's Duma statement resulted in the chamber's decision to hear the General Procuracy of the Russian Federation's representative on the Vladivostok events, regarding the instigation of criminal proceedings against the city's mayor on bribery charges. Kravtsov also said the matter against Cherepkov was instigated on 10 February this year. The size of the bribe was quoted to be 3 million rubles. A portion of the money, which incidentally was marked by the bribe-giver, was found in the mayor's office. According to the deputy general procurator, the bribe-giver is someone without fixed abode or employment. According to Kravtsov, the hand over of the bribe, n[illegible]ation by the bribe-giver that the money had been handed over, and instigation of proceedings against Cherepkov, all occurred on 10 February.

New Mayor Vows To Clean City

944F0468A Vladivostok VLADIVOSTOK in Russian 19 Mar 94 p 1

[Article by Andrey Kholenko: "Spring Cleanup for City Trash"]

[Text] The theme of spring trash cleanup in Vladivostok continued Thursday, following the cleanup from the city administration of its previous leaders. A conference was held in the mayor's office on the emergency situation in the city with respect to medical-sanitary conditions.

"By 9 May the city of Vladivostok must be 'licked clean'"—stated new head of administration, Konstantin Tolstoshein, at the outset of the conference. Everyone present agreed with him.

Attending the conference were the heads of reinstituted rayon administrations, militia representatives, medical-sanitation inspection personnel, and housing department officials. They reported on the situation and proposed measures for bringing sanitation order to the city.

The following measures are contemplated. As soon as the weather brings positive temperatures, work will begin on the repair and asphalting of city roads in disrepair. Commercial stalls and sidewalk vendors—the main "suppliers" of trash in densely populated areas—will be administratively punished for refusal to clean up their vicinity, up to and including removal of business licenses and cancellation of contracts for lease of the land their stalls occupy. It will also be proposed that enterprises of all forms of ownership conduct trash cleanup of their surrounding areas.

A problem arises regarding the cleanup of housing unit areas, insofar as residential building maintenance services simply lack the resources to accomplish this. Konstantin Tolstoshein proposed reinstitution of the fine old tradition of subbotniki [days of voluntary unpaid labor], so that tenants—to put it bluntly—collect the trash around their homes for the city services to haul away to the dumps.

As far as the financing of road repair and city cleanup is concerned, according to Tolstoshein, Maritime Kray Governor Yevgeniy Nazdratenko has promised to assist Vladivostok in this effort.

Konstantin Tolstoshein expressed certain considerations of principle at the conference with respect to the future structure of the city's government. "It is not we who must work for the structure. The structure must work to benefit the people of Vladivostok," he stated. Tolstoshein is an "advocate of a city with functionally capable rayons, rayons with a high level of independence." In this regard, there will be a restoration in the rayon administrations of departments for enterprise registration, departments for registration and distribution of housing, and other subdivisions. A definitively new structure of city government will apparently be approved by the end of next week.

In this regard, the new administration is compelled to engage in another kind of cleanup. Efforts are presently underway in the mayor's office to repeal certain decrees of the previous administration not conducive to the effective operation of city structures. Numerous legal proceedings initiated against various authorities on behalf of the mayor's office are being revoked.

At the same time, the new head of city administration, Konstantin Tolstoshein, has refused to repeal free travel on public transportation in Vladivostok.

Maritime Governor Said Lobbying for Japan

944F0469A Vladivostok VLADIVOSTOK in Russian 17 Mar 94 p 5

[Article by Viktor Korytko and Vladimir Oshchenko: "Japanese Lobby in the Maritime Territory Administration? High Policy Around Radioactive Contamination"]

[Text] Vladivostok—**The political leaders of Tokyo, Moscow, Vladivostok, and even Stockholm are unanimous: Only Japanese decontamination plants can save the Sea of Japan from radioactive wastes...**

As VLADIVOSTOK correspondents have learned from unofficial but completely reliable sources, the meeting that took place last week between Russian Minister of Foreign Affairs A. Kozyrev and American Secretary of State Warren Christopher, in addition to the resolution of high policy, also had a specific result for the Maritime Territory, which, it appears, could have not entirely favorable consequences for the territory. Specifically: A transfer of documentation on a project for utilization of liquid radioactive wastes in the Maritime Territory proposed by the Marubeni Corporation took place in a lobby of the summit with a view to its coordination in our Ministry of Foreign Affairs for the purpose of allocating $40 million to this corporation...

In the meantime, as VLADIVOSTOK has already reported, scientists of the Far Eastern Department of the Russian Academy of Sciences came to the conclusion that the Japanese technology is obsolete, energy-intensive, and expensive to operate (VLADIVOSTOK, 16 March). But the technology created in the Maritime Territory was not even considered in the territorial administration, and it can be assumed that nothing is known about it in the Russian Government.

At the same time, the problem of utilizing liquid radioactive wastes in the Maritime Territory is one of the most important categories on the agenda of the official visit to Moscow of Minister of Foreign Affairs of Japan Tsutomu Hata. Hata's visit to Russia starts Saturday.

A week earlier, Prime Minister of Japan Morikiro Hosokawa talked about this in a conversation with Kirsti Krondall, chairperson of the parliament of Norway, who was visiting Tokyo. Krondall told the Japanese prime minister that the problem with disposal by the Russian Navy is common for both Japan and Norway, and her country intends to find an opportunity to render Russia technical and financial support for the construction of enterprises in the area of Murmansk for processing liquid radioactive wastes (ZhRO).

The same—and only—variant of a resolution of the problem of utilization of liquid radioactive wastes in the Maritime Territory will also be discussed by the minister of foreign affairs of Japan during his visit to Moscow.

The day before yesterday, Yevgeniy Nazdratenko, head of administration of the Maritime Territory, reported in an interview on the television program "Vostok-TV" that the Japanese Government had decided to deliver equipment and finance the construction of two installations for processing liquid radioactive wastes in Bolshoy Kamen and at a facility of the Pacific Ocean Fleet. According to Nazdratenko, the total value of the resources being allocated by Japan under this project amounts to $12 million.

Nazdratenko said that Japanese representatives (he did not know exactly who) are disturbed by the problem of effective and speedy implementation of construction and also want guarantees that not one dollar of the proposed sum will be expended for purposes that are not directly connected with the project. The governor of the Maritime Territory sees such guarantees in the mechanism of the resources being transferred directly from Tokyo to Vladivostok. Nazdratenko said in the television interview that a document concerning such a mechanism was actually turned over to Kozyrev. However, any investment operation presumes the presence of some kind of accounts (what is the money to be paid for?), and it is perfectly clear that the Japanese project specifically will be discussed during Hata's negotiations with representatives of the Russian Government.

This, in general, is logical: If the Japanese Government intends to build a plant (it is unimportant whether in Japan, the United States, or Bolshoy Kamen), then it is Japanese and not American or Bolshoy Kamen companies that should get the profit and the work positions...

However, the total disregard of the territorial administration's incomparably more effective technology for decontaminating radioactive waste proposed by Vladivostok scientists was also confirmed by the fact that literally two days before the Kozyrev-Christopher meeting, Governor of the territory Ye. Nazdratenko promised to receive V. Sergiyenko, chairman of the Far Eastern Department of Russian Academy of Sciences, regarding this question, but the meeting did not occur. As his reception room invariably reported: "The governor is very busy with preparations for the "summit meeting"... The result of this "preparation" is now clear: Nazdratenko personally handed over to the Ministry of Foreign Affairs the documentation of Marubeni lobbying. As a result of this, there can no longer be any doubt regarding persistent pushing to the detriment of our interests by officials of the territorial organization of what they know to be an obsolete and extremely expensive Japanese project.

Meanwhile, literally the other day scientists of the Far Eastern Department of the Russian Academy of Sciences received a new multicomposite sorbent from local materials which in its characteristics already surpasses those that are available. Laboratory tests for the purpose of decontaminating liquid radioactive wastes of the Zvezda plant produced simply brilliant results. This sorbent "cleaned" these wastes to such an extent that as a result not even highly sensitive special apparatus could record the content of such a highly active radioactive element as

strontium... In order to bring the technology of utilization of liquid radioactive wastes from the stage of laboratory tests to the creation of an industrial test installation using the given sorbent, our scientists are asking for a little more than 1 billion rubles all told, which, of course, is not comparable to the $40 million for which the Japanese corporation is selling its 30-year-old technology.

One way or another, VLADIVOSTOK intends to follow the development of events around this scandalous deal, although it is possible that we still will not be able to give the numbers of bank accounts in Japan regarding the transfer of unspecified hard currency sums on behalf of some of our officials and persons from middleman firms.

New Rent Payment Norms in Maritime Kray

944F0468B Vladivostok VLADIVOSTOK in Russian 18 Mar 94 p 1

[Unattributed article: "In Four Years, Rents May Exceed Wages"]

[Text] The introduction of a new system of paying for housing and public utilities in the kray is under way. The procedure for effecting transition to this system is prescribed in Decree of the Russian Federation Government No. 935, dated 22 September 1993.

A week ago, kray Governor Yevgeniy Nazdratenko adapted the government's decision to Maritime Kray, signing a decree with a similar title—"On the Transition to the New System of Payment for Housing and Public Utilities and on the Procedure for Affording Citizens Compensation (Grants) in Effecting Payment for Housing and Public Utilities."

In accordance with these documents, by 1998 an apartment owner will pay 100 percent of the expenses for residential upkeep and repair (except capital repair), as well as for public utilities. Each year, beginning this year, the proportion of money paid by citizens to compensate for these expenses will be increased by 20 percent.

The social housing norm has been established in the kray at 20 meters per individual, and maximum norms for public utility consumption (for example, 120 kilowatt-hours per family member per month) became effective 1 March, within the framework of which rents must not exceed 10 percent of a family's aggregate income. The state is providing compensation and grants for this purpose. Housing grant departments must be established in administrations at all levels prior to 1 April.

Beginning 1 March, the proprietors of residences of all forms of ownership, including dormitories, will pay 20 percent of the prime cost of housing and public utilities. According to Mikhail Savchenko, chairman of the kray administration Committee on Housing and Municipal Services, the average three-person family in Vladivostok will pay 19,200 rubles [R] per month over the course of this year for an average (two-room) apartment. In general, citizens' expenses for the use of living quarters will increase 17-fold.

'Soft Loans' Promote Nizhniy Land Ownership

PM2203164194 Moscow IZVESTIYA in Russian 22 Mar 94 p 2

[Anatoliy Yershov report: "Soft Loans for New Land Cooperatives"]

[Text] Nizhniy Novgorod Oblast—Several more land auctions will be held in Nizhniy Novgorod Oblast with the help of specialists from an international financial corporation. They will be held prior to the start of spring field work. Such auctions were previously held at the "Pravdinskaya" Association and the "60th Anniversary of October" Kolkhoz, about which IZVESTIYA has written.

It is envisaged that soft loans will be granted to newly formed agricultural enterprises—partnerships, cooperatives, and private farms—under a directive by Nizhniy Novgorod Oblast Governor B. Nemtsov. These loans will be granted on the basis of an average of 200,000 rubles per hectare for the land acquired by the new owners at auction. These resources are to be allocated out of the oblast budget. The loans are granted for a three-year term at a very low rate of interest.

According to the oblast administration's Department of Agriculture and Land Reform, such targeted financial support for newly set up agricultural enterprises and private farmers will help them to confidently take their first steps and, in particular, to carry out the upcoming field work. It is interesting that around four dozen applications to hold land auctions have already been received by the department from former kolkhozes and sovkhozes, which will enable the peasants to own land and property in reality rather than just on paper.

Tatarstan Election Irregularities Alleged

944F0468C Kazan IZVESTIYA TATARSTANA in Russian 19 Mar 94 p 1

[Article by Galina Grigorenko: "An Unexpected Fi ale"]

[Text] A press conference took place yesterday in Kazan, at which five recent candidates for deputy of the State Duma took part. The candidates came from two electoral districts—Moscow District No. 24 and Volga District No. 27.

Yuriy Voronin spoke first at the press conference, telling of crafty maneuvers that affected the outcome of the election in the Moscow district. In the first place, the number of ballots arriving at the polling stations did not coincide with the number issued to the voters and canceled—there was a difference of about 7,000. Secondly, ballots from portable ballot boxes were often

dumped into the common "kettle" without drawing up separate official documentation. Thirdly, hardly any of the authorized candidates for deputy were present for the tallying of the vote. Fourthly, only following intervention on the part of the Central Electoral Committee did the district commission permit the former contenders for a deputy seat to familiarize themselves with the control documents.

Each of the press conference participants added his own contribution to the overall picture of the election just held. Vladimir Belyayev, for example, reported that according to information from observers from the Accord movement, from 40 to 80 percent of city-precinct voters voted for him, but the official statistics show somewhere around one-third. Mars Rameyev shared his impressions from meetings with rural residents, who were given a "directive" to show preference to Oleg Morozov.

Volga District No. 27 was no different in this respect, judging from the comments of its two candidates. As Aleksandr Sapiy related, data from the district commission and 18 precinct commissions did not coincide, and a mysterious "juggling" occurred at eight precincts, as a result of which 500 votes were "pulled away" from the candidacy of the leader of Tatarstan's Communist Party. But perhaps most categorical of all was the assessment of Munavir Murtazin (who is, incidentally, senior assistant to the procurator for military matters), who stated that the procuracy must institute criminal proceedings with respect to the facts uncovered in accordance with Article 133 of the Russian Federation Criminal Code, which envisages serious punishment for those who participate in the forgery of election documents.

The candidates for deputy participating in the press conference believe it would be advisable to establish a commission that would carefully examine all the "delicate" aspects of the present election campaign and subsequently publish the results. In addition, the intention to apply to the procuracy was also clearly stated.

Tatarstan Social Protection Measures

944F0464B Kazan IZVESTIYA TATARSTANA in Russian 18 Mar 94 p 1

[Tamara Levina report: "An Agreement That Stabilizes Life"]

[Text] **An agreement among the Cabinet of Ministers of the Republic of Tatarstan, the republic Council of Trade Unions, and the Association of State-Owned Enterprises of Tatarstan for 1994 was ceremonially signed in Kazan yesterday. The document was sealed by the signatures of Mukhammat Sabirov, prime minister of the Republic of Tatarstan, Farida Gaynullina, chairman of the republic Council of Trade Unions, and Yuner Yemaletdinov, president of the Association of State-Owned Enterprises.**

This is the fourth agreement among the government, the unions, and the employers on joint participation and guarantees in the solution of labor and socioeconomic questions based on current legislation and the implementation of additional measures. The previous ones helped create in Tatarstan a well-oiled system of targeted social protection, curb the growth of unemployment, preserve the system of preschools, and decide a number of other questions.

The present year does not promise to be easy, and the new agreement provides for the creation of conditions for stabilization of the economy, social protection for the working people and public, jobs for the population and development of the labor market, pay and occupational and environmental safety guarantees, and development of the social sphere in rural localities. The commitments of each of the parties are clearly drawn. For example, the Cabinet of Ministers of the Republic of Tatarstan will retain state regulation of the maximum levels of profitability and fixed prices on products of the monopoly sectors and enterprises, energy, and socially significant groups of commodities (individual foods, prescription drugs and medication, children's items, and so forth) and also on vitally important services, the public service of passenger transport, individual types of communications services, and public utilities, public gas, electric, and heating tariffs, and the charge for housing, having entered the corresponding resources in the republic budget. The Association of State-Owned Enterprises of the Republic of Tatarstan will organize work on placing orders at the enterprises for the manufacture of machinery, mechanisms, equipment, instruments, and spares for the needs of the national economy of the Republic of Tatarstan.

In addition, from the resources of state social insurance the parties plan to send to sanatoriums and recreation centers 43,000 workers (including 2,700 children); to preventive health- sanatoriums, 80,000 persons (10,000 children); and to health-and-fitness camps, 135,000 children.

The agreement took effect the moment it was signed.

Tatarstan Notes Progress in Fighting Mafia

944F0464A Kazan RESPUBLIKA TATARSTAN in Russian 17 Mar 94 p 1

[Unattributed report: "Office for Combating Organized Crime Against the Mafia: Offensive Continues"]

[Text] A briefing of leaders of the Office for Combating Organized Crime (UOP) was held yesterday in the republic's MVD.

Office Chief R. Galimbekov, who was appointed to this position last November, told the representatives of the news media about the current business and immediate plans of the structural subdivision of the law enforcement authorities that is at the forward edge of the fight against crime. In recent months the UOP has stepped up its activity considerably by way of the organization of new departments in cities and rayons of the republic,

reinforcement of the physical plant, and closer interaction with the KGB, criminal investigation, the Office for Economic Crimes, and other services of the MVD.

More than 20 of the 109 registered criminal groupings have been neutralized and broken up and criminal proceedings have been and continue to be instituted against more than 500 of their active members and leaders in the republic in recent months with the direct involvement of the UOP. A large quantity of firearms, ammunition, hardware, and financial resources has been confiscated from the criminals.

National Affairs

Crimea's Meshkov on Ties With Russia, Zhirinovskiy

AU2203132494 Vienna KURIER in German 22 Mar 94 p 5

[Unattributed interview with Yuriy Meshkov, "president of the Crimea;" place, date not given: "Meshkov: 'We Are Part of the Russian People!'"]

[Text] [KURIER] Will the referendum be held?

[Meshkov] Yes, on 27 March.

[KURIER] But President Kravchuk has vetoed it....

[Meshkov] We are aware of that.

[KURIER] What would happen if Kravchuk were to impose a state of emergency after the vote?

[Meshkov] Then I would have to feel sorry for the work of his unprofessional advisers. I abide by the Crimean constitution and what goes beyond it—namely the desire of the citizens.

[KURIER] What do you think of Zhirinovskiy?

[Meshkov] Zhirinovskiy is a highly talented man. He is much more serious than one would gather from his behavior toward the press. He is the only person in the Duma who expresses the needs of this huge people.

[KURIER] What help do you expect from Russia?

[Meshkov] No state can survive without outside help. We want to overcome isolation. If this is the only way out then we will opt for it. Russia has never tried to avoid supporting us—which used to be normal, while now this support has been artificially restricted.

[KURIER] Why do you want to integrate the Crimea into the ruble zone?

[Meshkov] It is my duty to do the best for the Crimea. It is not the fault of the Ukrainian laws that we have been maneuvered into this disastrous situation. We must protect ourselves against Ukrainian inflation destroying the economy of the Crimea.

[KURIER] Will there be war in the Crimea as in the former Yugoslavia?

[Meshkov] You cannot compare them. Here there are no nationality or religious conflicts. We have always been part of the Russian people—and we are part of it today.

Kravchuk on Army, Perry Visit, Upcoming Elections

LD2303220494 Moscow ITAR-TASS in English 2157 GMT 23 Mar 94

[By ITAR-TASS correspondent Igor Bachun, Viktor Demidenko for TASS]

[Text] Lvov March 23 TASS—"We are learning not to fight, but to defend ourselves. The Ukrainian Armed Forces will never be the first to take a step which might lead to a conflict," said Ukrainian President Leonid Kravchuk at a new conference held on the Javor military training grounds of the Carpathians Military District on Wednesday [23 March].

Kravchuk pointed out that Ukraine would not grudge funds for the Ukrainian Army and will do its best to strengthen it defence might, create a modern material and technical base and train highly-qualified personnel. [sentence as received] Special attention will be paid to the welfare of the Ukrainian servicemen and their families, the Ukrainian president said. At present, the Ukrainian Army is being provided with equipment predominantly produced in Ukraine. "At the same time, we are disposing of lethal weapons - nuclear rockets," the Ukrainian president said.

In this connection, he highly assessed the results of a recent visit to Ukraine by the U.S. Defence Secretary William Perry. It was announced that the U.S. had allocated additional funds for the elimination of nuclear weapons in Ukraine.

Speaking about relations between Ukraine and the Crimea, Kravchuk said that the Ukrainian state was pursuing a policy in accordance with its constitution and other legislative acts. The Crimea can have neither army of its own, nor any other military formations, the president said the Crimean Peninsula, as any other territory of the country, shall be defended by the Ukrainian Armed Forces, the added.

Touching upon the upcoming elections to the Ukrainian parliament, Kravchuk pointed our that the elections would be held in any case and that there is no other alternative. The problem is that it might take more time than scheduled. The country must not be left without the legislative power. It is the new parliament which will have to adopt laws on power structures, including local bodies of power. Ukraine will not be able to continue its development as an independent and economically strong state without these fundamental documents, and it is with these documents that the Ukrainian president connects his participation in the early presidential elections.

Naval Chief: Black Sea Document 'Merely' Protocol

PM2403085594 Moscow PRAVDA in Russian 24 Mar 94 p 1

[Nikolay Musiyenko report: "Sword of Damocles Over Fleet"]

[Text] Ukraine is no longer raising the question of possibly passing the Black Sea Fleet ships to Russia in payment for the debts it owes for oil and gas deliveries. This was stated in an interview with foreign journalists by Volodymyr Bezkorovaynyy, commander of the Ukrainian Navy. He said that the document signed by the two presidents in Massandra last September is not an agreement, merely a protocol of intent. According to V. Bezkorovaynyy, this issue was studied but was rejected. Both sides have agreed to set up a commission to take an inventory of the ships and other Black Sea Fleet property with a view to dividing it up.

Zvyahilskyy Quizzed on Economy

944K0911A Donetsk AKTSENT in Russian 18 Mar 94 pp 1-2

[Ye. Degtyarev report on meeting with electorate of Kiyevskiy Rayon by acting Prime Minister of Ukraine Ye.L. Zvyahilskyy; date not given: "The Business of Both Prime Minister and Deputy"]

[Text] On Tuesday, acting Prime Minister of Ukraine Ye.L. Zvyahilskyy reported to the electorate of Kiyevskiy Rayon in Donetsk on his deputy activity in the Supreme Council.

The deputy counts to his credit dozens of problems resolved with his assistance in the rayon and the city—from deliveries of crushed stone for road repair to the construction of housing, new trolley buses, and the beginning of actual construction on the metro.

Zvyahilskyy considers one of the main results of his activity in the position of acting prime minister to be surmounting the energy crisis in Ukraine. The preconditions have been established for price stabilization of products. "This averted a new price hike in January. For this they call me a suppressor of reforms." Inflation in January and February ran at 20 percent. In March it is expected to reach 30 percent. Zvyahilskyy stated that not a single state has managed without administrative measures. He points out the establishment of relations with CIS countries as one of his achievements of merit. A number of positive shifts are seen as a consequence of this—from the opening in Moscow of the Ukraine bank to the production of drugs and medicines. Ukraine will have its own insulin. Anticancer medicinal preparations will be produced in Lugansk Oblast.

After presenting a half-hour report, Ye.L. Zvyahilskyy responded to questions from Donetsk citizens.

[Question] Will there be new price increases?

[Zvyahilskyy] Today the government is undertaking all measures to see to it that prices not only do not increase but actually begin to be systematically reduced. The Zaporozhye "Tavriya" is incredibly priced. If "trade mark-up of up to 50 percent" appears in writing, they establish it at exactly 50 percent. Now there will be a trade mark-up of up to 10 percent. The plant will decide this. The government will lower excise taxes in response.

[Question] How do you assess the way banks are operating?

[Zvyahilskyy] Almost all Ukrainian banks are commercial banks, with the exception of one established for hard currency transactions. A few days ago I signed a document according to which all plants will conduct hard currency transactions through this bank. There will be a scandal, of course. Commercial banks have destroyed the financial system. It was recently discovered that the salaries of certain bank managers comes to 187-185 million a month. A resolution was adopted to make salaries over 6 million subject to tax at 90 percent. The Ministry of Internal Affairs is now monitoring time frames for payment processing.

[Question] How do you view commercial drugstores?

[Zvyahilskyy] That is not business—selling drugs and medicines to the populace for currency. Investments in medical industrial equipment and joint enterprises for the production of medicines was one of the first questions to be discussed in meetings with the ambassadors of foreign states. In 1995-1996 we will have a complete industrial base. But it is impossible to shut down the drug stores right now since there is no market saturation with respect to medicines.

[Question] Will the hryvnya be introduced, and when?

[Zvyahilskyy] A plant has already been built in Ukraine for producing money. On Friday (i.e., today—Ye.D.) I will attend the ribbon-cutting ceremony along with Kravchuk and Plyushch. I have seen the new hryvnya. The hryvnya we have is better than the one from Canada. Its security features are even better. When? Let us say, this will happen Thursday, but in what...

[Question] The salaries of medical personnel and teachers are low. There is no money for pay or meals in the military units.

[Zvyahilskyy] Some 1.5 trillion [rubles] has already gone into pension payments for military pensioners. Five hundred billion—to grants for the Ministry of Internal Affairs, 100 billion—to border troops. When the economy gets adjusted a bit more, the question of salaries for medical personnel and teachers will be examined in the Supreme Council. Their salaries should be on the level of the average in industry. Today for mine workers at mines that are meeting quotas it is 4 million, for metallurgists—3 million, energy industry workers—3.5 million karbovantsy. This is not very much, of

course. The state does not have such salaries for doctors and teachers. There is simply nowhere to get the money.

[Question] How do you assess Kravchuk's purchase of a "bungalow" in Switzerland when our people are impoverished?

[Zvyahilskyy] I have not been to Switzerland and have not seen this "bungalow." But I do know Kravchuk. I talk with him. He is a versatile politician.

[Question] What do you have to say about corruption in the upper echelons of power, including in your government?

[Zvyahilskyy] I have not noticed any violations at present on the part of deputy prime ministers or ministers. Also, my personal signature alone does not suffice for any document. The endorsements of all deputy prime ministers and legal counsel must appear. I do not permit deputy prime ministers to go abroad. There is a great deal to do at home.

[Question] Why do we see the highest prices for products in Donetsk and in the oblast?

[Zvyahilskyy] We must get involved in prices and price formation. I was in Kirovskiy on 8 March (in connection with a mine accident). I made a special trip to the store and found that butter was being sold there for 83,000. I asked—where did they come up with such a price? It turns out they got the butter through the canteen, with a mark-up. But butter is just sitting at the warehouses today—tens of thousands of tonnes, because people will not take it at that price. Lower the price—I said. The price of butter should be 50,000-55,000. I talked with V.V. Rybak by phone and asked him how things were going. He said he had just returned from the oblast executive committee where they decided to raise the price of bread one-and-a-half times. So I asked Minister of Agriculture Demyanov to see me. We looked into it and took this question off the agenda.

[Question] How do you view a federative land structuring of Ukraine?

[Zvyahilskyy] I support independence. I am in favor of a bilingual system. There need not be any coercion over language.

[Question] Will there be a liberalization of prices?

[Zvyahilskyy] All the problems of the economy in Ukraine stem from three factors. Liberalization of prices, oil products, and the export of metals—which is taking place outside state control. I am therefore today an opponent of price liberalization.

[Question] When will children's footwear appear in the stores?

[Zvyahilskyy] We will have children's footwear. We have a mighty shoe industry, with new equipment. But 16 million hides were exported out of Ukraine last year. What do you use to make shoes? The Donetsk shoe factory must produce children's footwear.

[Question] What is your income and how well off is your family?

[Zvyahilskyy] I have been working all my life, 37 years. I spent 26 of these years as top manager in the mines. That must mean something. Today my income is on the order of 4 million a month. My wife is on pension. Our children live independently. I am a rich man, for your information.

[Question] Will there be indexation of deposits of the population?

[Zvyahilskyy] There is no money for this. Ukraine needs 70 trillion in order to fully implement indexation. We can do this in phases, by age: 85-80, then 80-75, and so on down to 60. That will do it. I had a conversation with Kravchuk on this topic. We hope the United States Congress will provide—in addition to that $700 million you are aware of—more credits for 1994-1996, for 10 years. Perhaps we will allot a portion of that for indexation.

Donetsk Official Views Oblast Budget

944K0909A Donetsk VECHERNIY DONETSK in Russian 18 Mar 94 p 1

[Interview with M.G. Pabat by S. Gurova; place and date not given: "Oblast Budget Adopted. Can We Breathe Easier?"]

[Text] On 15 March a Session of the Oblast Soviet Voted for One of the Year's Main Issues

Budget questions are questions of our life. Much depends on the figures for which the deputies vote: whether we can receive treatment and be taught at the level of the individual of the end of the 20th century, ride urban mass transit, and move, as needed, into new residential neighborhoods. At the oblast soviet session on 22 February the deputies rejected the draft budget. And now a new attempt. This time the decision was adopted. Our correspondent's questions are answered by M.G. Pabat, chief of the oblast state administration financial department.

[Gurova] Mikhail Grigoryevich, the second version of the budget is better?

[Pabat] Substantially. The amount—10.3 trillion karbovantsy—that the deputies rejected on the last occasion would hardly have been sufficient to cater to half our requirements. In order to fully cover the requirements of housing and public utilities and for there to be sufficient funds for the purchase of prescription drugs, for transport subsidies, and for other needs, the deputies proposed an increase in the amount by a factor of 1.7. Which also will not be enough for everything, of course, but we will not have to accustom ourselves to shortages.

[Gurova] From where, for all that, has the increase in funds come?

[Pabat] From a reduction in tax payments to the state coffers. Having transferred them to the local budget, the deputies thereby ran counter to current legislation. But they had no choice. When there is not enough to maintain the hospitals and schools, to maintain electric transportation in at least some kind of shape, not to mention replacing it, or to prevent the poor from dying of starvation and to provide them with a roof over their heads, under these circumstances one does not point to the strict pressure of the law. After all, on the other side there is the abyss into which poverty is pushing us.

[Gurova] Will these percentages which were withheld from the state budget help us to breathe easier?

[Pabat] Alas! The budget is composed of taxes, and where are they to come from if the plants and factories come to a halt? In January the oblast produced 34 percent less than in the same month last year. In February the minus increased to 41 percent. In March it is expected that this figure will be even higher. We will breathe more easily only when an upturn in production begins.

[Gurova] What was the subject most discussed when the budget was being adopted?

[Pabat] The talk was mostly about social protection, about the pay of employees of the publicly funded sphere. Whatever matter was raised—whether there was a reserve fund, the construction of housing, or the Afghan veterans—the talk continually came back to the calamitous position of the hospitals, schools, and higher educational institutions and, consequently, the doctors, teachers, and lecturers—those on whom the health, intellect, and spiritual condition of the people depend. Despite the fact that the payments to them come not from the local but the state budget, the session still had to decide questions on an increase in pay from general appropriations until the corresponding decrees are adopted at the state level.

Morozov, Former Naval Chief Run for Parliament

AU2403124994 Kiev MOLOD UKRAYINY in Ukrainian 22 Mar 94 p 1

[Unattributed report: "The Crimeans Vote for General Morozov and Admiral Kozhyn"]

[Text] Former Defense Minister Colonel General Kostyantyn Morozov and former commander of Naval Forces Vice Admiral Borys Kozhyn are well known in Sevastopol, as they were the ones who started the building of the Ukrainian Fleet. At present, both K. Morozov and B. Kozyn are candidates for deputies of Ukraine's Supreme Council. A few days ago, the Coordination Council of the Congress of Sevastopol Ukrainians appealed to residents of Kiev and Rozhnyativ who had nominated these military figures, and called upon them to give support to K. Morozov and B. Kozhyn at the elections. In particular, the Sevastopol Ukrainians' appeal reads that it is precisely Kostyantyn Morozov who "did everything he could not to allow the conclusion of the scandalous agreement on leasing out Sevastopol for 99 years or selling the Ukrainian part of the Black Sea Fleet to Russia. General Morozov has been and continues to be an authoritative and well-respected person not only in the Army." That is why the Coordination Council of the Congress of Sevastopol Ukrainians called upon the voters of Kiev Constituency No. 1 to vote for the former defense minister of Ukraine. Sevastopol Ukrainians turned with an identical appeal to residents of the town of Rozhnyativ in Ivano-Frankivsk Oblast where former commander of Ukraine's Naval Forces is registered as a candidate for Ukraine's people's deputy. The elections will show whether the electorate has heeded the appeal by the Coordination Council of Sevastopol Ukrainians.

Poll Shows Low Confidence in 'Branches of Power'

AU2303210394 Kiev MOLOD UKRAYINY in Ukrainian 23 Mar 94 p 1

[Olena Hubina report: "I Don't Trust You by 96 Percent"]

[Text] The Ukrainian population's confidence in all branches of power on the eve of parliamentary elections is so low that it is even difficult to determine whose victory is to be preferred. In February and March 1994, the "Democratic Initiatives" center conducted an opinion poll, which involved 1,799 respondents. It revealed that just 2 percent of the respondents have full confidence in the government, 4 percent—in the president, 2 percent—in the Supreme Council chairman, and 2 percent—in the leadership of local power structures. The level of confidence in Vyacheslav Chornovil, the opposition leader, is not much higher—just 4 percent of the respondents were fully in his favor. Somewhat higher is the prestige of the militia (6 percent), and 20 percent of the respondents trust the Army.

Furthermore, 13.6 percent of the respondents stated their unwillingness to participate in the elections; 63 percent said that they would not like to vote for the same candidate as in the previous elections; and just 13 percent have not changed their preferences. The decision to vote for a particular candidate may be positively influenced mainly by the fact that the candidate is... in favor of a union between Ukraine and Russia. This was pointed out by 48 percent of the respondents. Negative attitude was expressed by 27 percent and yet another 25 percent showed indifference. Some of the respondents considered the candidates' sex as one of their "virtues": 36 percent of them are ready to vote for a female deputy. Thirty-one percent of the respondents like candidates who are in favor of a capitalist economic development, 30 percent—if they have support of entrepreneurs, 25 percent—if they are not members of any party. Nineteen percent of the respondents prefer those candidates who

assert that authoritarian rule (the "iron" order) is the best road toward democracy. Physical attractiveness of the candidate encourages just 2 percent of the voters.

Among the respondents, 54 percent believe that Ukraine will most likely maintain its integrity and independence in the future, 22 percent do not believe in that, 42 percent assume that our country will unite with Russia and Belarus within a Slavic Union, 31 percent believe that it will become a constituent part of a single CIS state (a renewed union), and 28 percent find it plausible that Ukraine will become a part of Russia.

At the same time, just 8 percent of respondents positively assessed Russian President Boris Yeltsin. It is of interest that even CPSU General Secretary Leonid Brezhnev got a higher rating—16 percent.

Kravchuk Issues Edict on Nuclear Power Industry

LD2403165394 Kiev UNIAR in Ukrainian 2330 GMT 23 Mar 94

[Text] Kiev, 22 March—UNIAR has been informed by highly reliable sources that the Ukrainian president has issued edict No. 64/94 dated 24 February on "Urgent measures to develop atomic power engineering and creating a nuclear fuel cycle in Ukraine."

The document establishes that the State Committee of Ukraine for the Use of Nuclear Energy (DerzhKomAtom) is the main organization that implements administrative leadership over nuclear power stations and other sector enterprises and also creates a nuclear fuel cycle in Ukraine, from the mining of uranium ore to the processing of radioactive waste.

The edict instructs the Cabinet of Ministers: - together with Ukraine's Academy of Sciences and the Nikolayev Oblast state administration to resolve by 1 June 1992 the problem of the feasibility of constructing a fourth bloc at the South Ukrainian nuclear power station; - to ensure that tariffs for electricity are determined early in order to formulate funds and resources to ensure the safe exploitation of nuclear power station, to create production processes for the reprocessing of nuclear waste and to ensure a scientific study of the problems of nuclear power engineering; - to review proposals of the DerzhKomAtom and the Ministry of Chernobyl with regard to the problems of radioactive waste; - to create a medical and sanitary directorate within the composition of the DerzhKomAtom; to review DerzhKomAtom's proposals for exporting electric power.

The State Committee of Ukraine for the Use of Atomic Energy is instructed: - to prepare proposals for the program of increasing safety of reactor plants; - to envisage the commissioning of generating sets with a high degree of preparedness:

- the sixth bloc of the Zaporozhye nuclear power station in 1994.
- the second bloc of the Chernobyl nuclear power station in 1995
- the second bloc of Khmelnitskiy nuclear power station in 1995.
- the fourth bloc of the Rovno nuclear power station in 1996.
- the third bloc of the Khmelnitskiy nuclear power station in 1998.

To create, together with Ukraine's Academy of Sciences, a scientific and technical center which would concentrate its efforts at the main problem of the sector.

Belarus

Further Reportage on Perry's Visit to Minsk

Perry Praises Disposal of Nuclear Arms

LD2303155494 Moscow ITAR-TASS in English 1534 GMT 23 Mar 94

[By BELINFORM correspondents Vladimir Glod and Leonid Tratsevskiy for TASS]

[Text] Minsk March 23 TASS—U.S. Defence Minister William Perry [title as received], who arrived in Belarus on a one-day official visit, met with the Belarusian Prime Minister Vyacheslav Kebich on Wednesday [23 March].

"We looking at the U.S. as our partner and friend with whom we can resolve different problems and, primarily, the problem of disarmament," Kebich said during the talks with the U.S. defence minister.

For his part, Perry pointed out that the U.S. singled out Belarus among other CIS countries as a state which voluntarily and without any preliminary conditions disposed of nuclear weapons.

The talks between Kebich and Perry were held behind closed doors. During the talks the sides discussed three main problems, including the U.S. Partnership for Peace initiative, the U.S. aid to Belarus in dismantling conventional weapons and problems of conversion, the BELINFORM news agency reported.

Defense Ministry Receives $30 Million

LD2303181794 Moscow INTERFAX in English 1759 GMT 23 Mar 94

[By BELINFORM-TASS correspondents Vladimir Glod and Leonid Tratsevskiy]

[Text] Minsk March 23 TASS—U.S. Defense Minister [title as received] William Perry is taking with himself as a souvenir from Minsk a laser pointer which is capable of showing any spot at a considerable distance. William Perry received this present from a representative of the Belarussian Optical Mechanical Association (BELOMO) which is now mastering peace-time production.

The BELOMO together with the "Integral" association and the Association of Computing machinery, will cooperate with American firms in the field of conversion of the defense industry to peace-time production.

According to William Perry, the United States is prepared to earmark 10 million U.S. dollars to Belarus for the implementation of the conversion program. A special tender was carried out in the United States whose winners will cooperate with the three Belarussian production associations.

Now the United States is getting down to business, the U.S. defense minister said commenting on the signing of the conversion documents and the establishment of the joint American-Belarussian committee which will control conversion issues.

"We have been coming to this for almost two years," Defense Minister of Belarus Pavel Kozlovskiy noted.

The process of conversion will include three stages: The delivery of the latest equipment to Belarussian enterprises, the organization of production of modern products and the creation of an export market," representatives of the U.S. Defense Ministry told BELINFORM.

The fact that the United States have set aside 30 million U.S. dollars to Belarus, confirmed the words by Pavel Kozlovskiy that the "geographic remoteness and a different level of the economic development are not an obstacle to cooperation."

According to information received from high ranking officials of the Belarussian Defense Ministry, 10 million U.S. dollars will be spent on conversion, another 10 millions U.S. dollars—on construction of houses for servicemen, 5 million U.S. dollars—on the destruction of conventional weapons and the remaining 5 million U.S. dollars—on re-training of officer cadres of the Belarussian Army.

Perry on Results of Conversion Bid

WS2303190794 Minsk BELAPAN in Belarusian 1800 GMT 23 Mar 94

[Text] Today in Minsk, Belarusian Defense Minister Pavel Kazlowski and U.S. Defense Secretary William Perry signed the declaration: "On Principles of the Joint Committee for Conversion of the Enterprises of Defense Industries." The document is a result of the efforts undertaken by the Joint Committee for Conversion that held its session today, as well as of the cooperation between the two states in the military sphere over the last two years. The U.S. defense secretary announced the results of the bid for the best conversion project whose total cost will be $10 million. U.S. "Kras Corporation," "Raytheon Corporation," and "Byelocorp Scientific Incorporated" received the right to sign contracts with the Belarusian production amalgamations "Integral" and "Beloma." It was also pointed out that Belarus is the first CIS member whose relations with the United States in the field of conversion have brought about the signing of concrete contracts. It was announced that the U.S. Government had resolved to earmark $25 million for conversion in the Republic, for housing construction for Belarusian servicemen and for their retraining.

Kazlowski, Tyshynski Comment

WS2303201394 Minsk Radio Minsk Network in Belarusian 1815 GMT 23 Mar 94

[Report by Mikhail Rutkowski]

[Excerpt] Businesslike friendly relations between the Republic of Belarus and the United States in the military

phere have been developing since 1992. Military spe-ialists from the Belarusian and U.S. sides are discussing he primary directions of military cooperation, including uch problems as conversion, control over exporting adioactive materials, training of servicemen, and cre-tion of working groups for coordinating military coop-ration. Today, the honored U.S. visitor [Defense Secre-ary Perry] was received by Belarusian Defense Minister Pavel Kazlowski and Council of Ministers Chairman Vyacheslav Kebich. In the afternoon, the defense secre-ary visited the Belarusian Supreme Soviet. During William Perry's visit, U.S. experts and managers of the argest industrial enterprises in Belarus worked on the ssues of conversion. First Deputy Defense Minister Alyaksandr Tyshynski, leader of the working group's Belarusian team announced the results of the joint ctivities.

Begin recording] [Tyshynski, in Russian] Esteemed U.S. Minister [as heard] Perry, esteemed Pavel Pavlavych Kazlowski]! At today's meeting, we exchanged opinions n many aspects of cooperation. We heard detailed eports by Mr. Barry Carter and Mr. Pugachev, who is hief of the Defense Ministry Scientific-Technical Com-nittee. To many questions asked by the representatives f industries.... [pauses] Today, one-third of the largest nterprises are present here, those at which conversion is eginning. Those are the Belarusian optics and mechan-cal amalgamation Belomo headed by General Manager Hurski, the production amalgamation of computing quipment headed by General Manager Kharlap, and he production amalgamation Integral headed by its Chief Engineer Kaloshin. We heard short reports and nswers to many questions asked by [words indistinct] nterprises. It was interesting for the Belarusian side to ear about the possibilities for expanding cooperation in nany other directions (?including) the Nunn-Lugar irection. It would now be very important and appro-riate to form a committee for the conversion of defense ndustries that would accelerate the implementation of hose projects that have been set up almost two years ago nd will enable expansion of conversion of [word indis-inct] enterprises. Let me give the floor to Belarusian Defense Minister Pavel Pavlavych Kazlowski.

Kazlowski, in Russian] Esteemed defense minister, gen-lemen. I am happy to realize that between the Republic f Belarus and the United States, between our armies nd nations stable businesslike relations are developing. The declaration which we are going to sign on the rinciples of the Joint Committee for Conversion of the nterprises of Defense Industries confirms the mutual word indistinct] striving of the sides for peace, and rienting the defense complex toward the needs of a ivilian society. The problems of conversion are just one f the components of the developing cooperation, and oday, we talked about many elements of this coopera-on. This is a demonstration of peaceful trends inherent n our state. The rather high activity of meetings and egotiations at different levels between the Ministries of efense is a demonstration of mutual interest, necessity, and the long-range nature of our relations. In its domestic policy, Belarus has chosen the path of social peace and accord, and the development of human rights and freedoms. Their priority character has been certified by our Republic's legal acts. Belarus has proclaimed its non-nuclear status, its striving to become a neutral state, and is continuously and unconditionally observing its commitments. We are grateful to you, Mr. Minister for your understanding of the problems of the Belarusian people, your readiness to cooperate and assistance in [words indistinct]. I would like you to pass our best wishes of wealth, happiness, and prosperity to the people and the President of the United States. [end recording]

The ceremony of signing the agreement on principles of the joint committee for conversion has started. The floor was then given to U.S. Defense Secretary William Perry. [passage omitted]

Monetary Merger With Russia Agreed Upon

WS2303140194 Minsk Radio Minsk Network in Belarusian 1300 GMT 23 Mar 94

[Text] A delegation of the Council of the Russian Federation arrived in our Republic today. The delegation is headed by Nikolay Gonchar, chairman of the council's committee for budget matters; finance, currency, and credit regulations; currency emissions, tax policy, and custom regulations. The visitors held talks with Prime Minister Vyacheslav Kebich and Vyachaslaw Kuznyatsow, first deputy chairman of the Supreme Soviet, on the unification of the Belarusian and Russian monetary systems.

At a news conference, which was held immediately after the talks at the Councils of Ministers and the Supreme Soviet, it was emphasized that mutual understanding of both sides was achieved in every aspect. There all grounds to believe that the important document will be signed soon. By the way, this document should be discussed by the deputies of the Russian State Duma tomorrow. At this very moment, the Russian delegation is meeting with people's deputies of the Belarusian Supreme Soviet.

Belarusian Presidential Elections Previewed

PM2203142994 Moscow ROSSIYSKAYA GAZETA in Russian 22 Mar 94 First Edition p 6

[Report by ITAR-TASS correspondents Vladimir Glod and Larisa Lazar: "Belarus: Who Will Be First President"]

[Text] After the Belarus Supreme Soviet approved the decision of the comptroller's commission on the results of the deputies' vote on the section of the new draft constitution providing for the introduction of the institution of the presidency, no one doubts any longer the fact of the replacement of the republic's state structure. It is true that the draft of the new constitution as a whole

still has to be adopted. But everyone understands very well that this is only a formality.

Moreover, it is already known when it will be feasible to hold nationwide elections of the first president. The deputies cite the very earliest date—26 July this year. The first president will have great powers. He is the head of state and of executive power.

Already there are disputes in full swing in the parliamentary corridors over the figure of the future president. By law a candidate president can be nominated only by at least 70 people's deputies or at least 100,000 voters through the collection of signatures. Political parties and associations do not have this right. But the most influential political forces will find the opportunity to use either the former or the latter option.

The disposition of political forces in Belarus is now as follows. At one extreme is the People's Movement of Belarus [PMB] and at the other the Belarusian National Front [BNF]. And between them is the "Spring-94" association. So far there is only total clarity about the BNF. This organization is gambling on its undisputed leader Zenon Poznyak. The PMB—the most mass-based movement—has still not found its bearings. Perhaps it will support the present premier, Vyacheslav Kebich, perhaps Aleksandr Lukashenko, who made a name for himself in the post of chairman of the Supreme Soviet anticorruption commission.

The scenario whereby the Belarus Party of Communists, which is a collective member of the PMB, will nominate its own candidate, Viktor Chikin. As for the democratic-centrist "Spring-94" bloc, it could launch an election campaign in favor either of Stanislav Shushkevich or Gennadiy Karpenko.

The Belarus Academy of Sciences Institute of Sociology has already conducted the first poll of rural inhabitants. Of those polled 20.8 percent stated they would vote for Aleksandr Lukashenko. So far he is the obvious leader in the countryside. This deputy's rating rose sharply after his speeches in the Supreme Soviet exposing corruption. By creating the image of a fighter against the mafia, Aleksandr Lukashenko has been a crowd-pleaser, as they say, stating that the mafia and its patrons are to blame for everything.

It is true that so far the only result of his commission's work has been the dismissal of Supreme Soviet Chairman Stanislav Shushkevich, toward whom Lukashenko had a personal antipathy which he did not hide. But the fighter against the mafia, as he himself has stated, has a file on two dozen top officials from the Council of Ministers and structures directly subordinate to the government. Naturally, having made these facts public Aleksandr Lukashenko will undoubtedly gain additional points in the fight for the president's seat.

Stanislav Shushkevich and Vyacheslav Kebich are almost equally popular among rural inhabitants. Today 9.3 percent of those polled are prepared to vote for the former and 8.1 percent for the latter. It is true that the head of government has gone for broke, gambling on the unification of the monetary systems of Belarus and Russia. If the union of this two slav countries succeed, the moderate politician will of course be riding high. If not then perhaps only a miracle will save the premier.

Zenon Poznyak was ranked fourth with 6.1 percent by the Belarusian peasants in their unique popularity rating. But the BNF leader's recent political actions—his statements about wanting Belarus to withdraw from the CIS, his charges of imperialism against the Russians, and the ban on professions—will hardly give him any chance of success. Gennadiy Karpenko, the leader of the Party of National Accord, which is something like the Russian "Civic Union," and Viktor Chikin close the list of contenders, with scarcely more than 1 percent of those polled supporting them.

Of course, these are only the first reports and they will change with time. It is not ruled out that other contenders could join in the struggle for the president's seat on the crest of the wave of general dissatisfaction and lack of confidence in the authorities. But the overwhelming majority of political scientists today believe that the real struggle will develop only between three candidates: Vyacheslav Kebich, Aleksandr Lukashenko, and Stanislav Shushkevich.

Meanwhile....

Zenon Poznyak, the leader of the parliamentary opposition, stated that the introduction of the post of president in Belarus is one stage in establishing an authoritarian regime and restoring in full the previous power and previous relations. "The draft law on the election of the Belarus president is compiled in such a way that only one candidate could be nominated—Kebich. In practice not a single candidate can be nominated at the Supreme Soviet and not a single one can be nominated from the people—according to the draft law. Because at the Supreme Soviet to nominate a candidate you must collect 70 signatures (it is virtually ruled out that any deputy other than Kebich would collect as many). As for signatures from the people, it is proposed that 100,000 should be collected in only two weeks. Considering the procedure which is proposed it is in practice impossible to collect signatures in that time."

Nonetheless the BNF council has examined the question of the development of the political situation and the prospects of elections in Belarus. BNF leaders believe that their organization has real chances of success but only under conditions where voters are faced with a tough choice: either a representative of the opposition or a representative of the old nomenklatura. In their opinion a third candidate and third way are a threat. Zenon Poznyak said that Stanislav Shushkevich specifically presents a threat to the BNF's prospects. "There

cannot be a third way," Poznyak said, "either for independence or against it." The front will no longer support Shushkevich and it is highly likely it will campaign against it.

Spring-94 Resolves To Support Shushkevich

WS2403110994 Minsk Radio Minsk Network in Belarusian 2050 GMT 23 Mar 94

[Text] According to BELAPAN, the coordinating committee of the Democratic Forces Association Spring-94 has passed a resolution on granting support to candidates in the upcoming presidential elections in Belarus. It has also been decided to form an organizing committee to collect the necessary signatures to nominate Stanislav Shushkevich as candidate for Belarusian president. The forming of the committee is expected to be completed by the end of this week. Not a single member of Spring-94 attending the session of the organizing committee, opposed Stanislav Shushkevich's candidacy. As of 22 March, the Belarusian Social Democratic Assembly, the United Democratic Party, the Confederation of Labor, and the Independent Trade Union have pledged support for Shushkevich. The National Movement for Territorial Self-Rule and the Belarusian Entrepreneurs' Association are ready to support Stanislav Shushkevich, along with other democratic candidates.

Viktar Ivashkevich, secretary of the Belarusian Popular Front Headquarters, who was a guest at the session, spoke in favor of civilized cooperation within the framework of the democratic movement, and for correct behavior during the collection of signatures and the election campaign. Coordinating committee members agreed that these conditions should characterize the election campaigns of democratic organizations.

Premier Reveals New Nuclear Plant Planned

WS2403121194 Minsk VO SLAVU RODINY in Russian 22 Mar 94 p 1

[Report by V. Kuts: "Will There Be a New Nuclear Power Plant?"]

[Text] The agreement between Belarus and Russia on an integrated ruble zone may be signed as soon as this month. This is what Belarusian Prime Minister V. Kebich stated in Baranovichi at his meeting with representatives of local authorities from Brest and Minsk Oblasts.

According to the prime minister, Belarus and Russia have also reached an agreement on gas prices. Fuel delivered to Belarus as of 1 January 1994 has become almost 40 percent cheaper. This has enabled Belarus to repay a large part of its gas debt to Russia.

At the same time, V. Kebich admitted that Belarus would have to remember nuclear energy, because it had no other alternative in the visible future. Currently, work on the selection of a site for a future nuclear power plant is under way, in line with international norms.

Moldova

Snegur Issues Decree To Improve Industry

AU2203144094 Chisinau BASAPRESS in English 2000 GMT 22 Mar 94

[Text] Chisinau, BASAPRESS 21/3/1994—President Mircea Snegur today announced a decree "on several measures for the improvement of the state of things in industry." The decree is issued "in order to improve the financial situation and create favourable conditions for the development of industry." It provides that "industrial enterprises and organizations can put on the market at free (negotiable) prices raw materials, additional compounds and, with the consent of the respective organ of the major state administration and of the State Property Fund, equipment and transport means not engaged in the technological process, taking into account their real value. Means obtained from their sale will be added to the circulating means." Article 2 of the decree stipulates that "industrial enterprises and organizations not subjected to privatization, as well as those proposed for partial privatization through the vouchers of their employees, are allowed to market unfinished nonproductive objects, with the consent of the State Property Fund." Profits collected from their sale will be used "to restore the financial resources for building such objects." Article 3 says that "goods delivered under barter and in cooperation with CIS states and Romania are exported without license." It also stipulates that "until June 1st 1994 excises for Moldovan production are levied at the level of 50 percent of the established rates." Enterprises and organizations should pay salaries to their employees according to the situation on March 1st. The Moldovan National Bank, "together with the government," should elaborate and present proposals on the manner of reciprocal compensation of debts between Moldovan enterprises and organizations; this should include the mechanism of their amortization through the promissory note system. The National Bank must also decide within one week whether to leave the industrial enterprises and organizations part of the financial dividends from the sale of production or rendering of services. According to the decree, the government will present the parliament proposals on the introduction of amendments into legislative acts regarding taxes that would establish differentiated value added tax on products manufactured in prioritized branches of the economy. The government should provide fiscal privileges to stimulate producers to increase the volume of production. In five days, the government is to cancel its normative acts regarding the levying of taxes without the consent of the taxpayer.

Dniester's Smirnov Forms New Body To Fight Crime

AU2203214594 Bucharest Radio Romania Network in Romanian 2000 GMT 22 Mar 94

[Cristian Nita dispatch from Chisinau]

[Text] According to Dniester Radio, in Tiraspol, by a decree issued by [Dniester President] Igor Smirnov, the Committee for the Republic's Security was set up of the presidency of the [self-styled] Dniester Moldovan Republic. As a justification for the re-establishment of that coercing body, the decree says: The Committee was set up in order to stabilize the crime situation; the Ministry of Interior and the Ministry of Security will be subordinated to it.

Former Security Minister Shevtsov [name as heard] was appointed head of the new body. The interior minister of the self-proclaimed Dniester Moldovan Republic, as well as his deputy, were relieved of their offices and are now standing at the disposal of the republic's president.

The decree became effective immediately after it was signed, that is, last night, and it orders the new body to elaborate, by 1 May, a plan to fight organized crime.

A commentary broadcast by Radio Moldova assesses that such reshuffles made by Igor Smirnov are merely further attempts to save the discredited authority of the Dniester leaders and as a method to eliminate the persons they find disagreeable and to mislead public opinion making it believe that decisive measures are being taken to fight crime. In reality the latest reorganization is the implementation of the directions given to them by the Russian opposition forces, which use the Dniester Region for trying their hand at the reestablishment of the Stalinist and Brezhnevist regimes, an attempt made to liquidate the opposition, and a concerted effort to deal a blow at their opponent, General [Aleksandr] Lebed [commander of the 14th Russian Army stationed in the Dniester Region], concludes the commentary broadcast by Radio Moldova.

Kazakhstan

Cooperation Agreements Signed With Spain

LD2403092194 Moscow ITAR-TASS in English 0748 GMT 24 Mar 94

[By ITAR-TASS correspondents Gennadiy Kulagin and Vladimir Shekhovtsev]

[Text] Madrid March 24 TASS—The very first day of President of Kazakhstan Nursultan Nazarbayev's official visit to Spain proved to be fruitful. A number of important bilateral documents aimed at developing cooperation between the two countries were signed on Wednesday evening.

At a solemn ceremony in the Ministry of Foreign Affairs Spanish Foreign Minister Javier Solana Madariga and Vice-Prime Minister Syzdyk Abishev and Foreign Minister of Kazakhstan Tuleutay Suleymanov signed a declaration on the principles of mutual relations between Kazakhstan and Spain, a treaty on mutual encouragement and protection of investments and an agreement on cooperation in the spheres of economy and production.

The declaration emphasised that political, economic and social changes taking place within the international relation framework should be accompanied by more closer cooperation between the two states in the interests of ensuring peace, stability, progress and social well-being of their people. The document reflects aspirations of the two countries to develop international cooperation in the spheres of education, culture, protection of the environment and fight against drug trafficking.

Addressing a press conference, Solana and Abishev emphasised that the signed documents open new prospects for mutual cooperation in many spheres. Notwithstanding the interest displayed by both sides in the development of trade and economic ties, the turnover between Spain and Kazakhstan was worth only 181.5 thousand U.S. dollars in 1993. This entire sum was spent on imports of foodstuffs from Spain. Only two Spanish-Kazakh joint ventures out of a total 2,000 registered in the republic have been set up. These figures cited by Abishev also had their impact on journalists.

Communist Party Registered, Leader Cited

PM2303142794 Moscow TRUD in Russian 23 Mar 94 Night Edition p 1

[Report by Oleg Kvyatkovskiy: "Another 'Specter of Communism'"]

[Text] Republic of Kazakhstan—In Kazakhstan a republic Communist Party has been registered at the fourth attempt.

The audience stood to applaud as L. Korolkov, chairman of the Communist Party Coordinating Council, received the registration certificate. Kazakhstan's communists, whose persistence cannot be denied, (they fought every day for two-and-a-half years to achieve registration) intend to make their presence felt in parliament and in public life. Another 13 social and religious organizations received their registration documents along with the Communist Party.

L. Korolkov, the leader of the Communist Party, told journalists that he sincerely believes in the building of communism. However, the methods of achieving this goal are somewhat different from those of 1917. "There will be no repetition of the armed uprising, I guarantee you that," he declared.

Tajikistan

Grachev Hopes Mediation To Bring Settlement

LD2303164394 Moscow INTERFAX in English 1419 GMT 23 Mar 94

[Text] Russian Defense Minister Pavel Grachev believes that the situation in Tajikistan can be settled only by political means. Upon his arrival Wednesday, he expressed hope that with the mediation of Russia the talks between the authorities of Tajikistan and the opposition leaders will lead to accord and peace in this Central Asian republic.

Answering the questions put by Interfax, Grachev backed further protection of the Tajik-Afghan border by collective efforts of CIS peacekeepers.

He said though that he expressed the view of a military man since the solution of the problem is solely within the competence of political leaders of the CIS states.

The term of the Russian troops in the republic expires on December 31, 1994, in line with the understanding between Dushanbe and Moscow.

Grachev believes that the protection of the Tajik-Afghan border meets the interests of Russia's security, as well as of the 200,000-strong Russian-speaking population.

Grachev said that during his meetings in Dushanbe with the Tajik leadership he intends to discuss the military-political situation in the republic.

Grachev arrived in Tajikistan to take part in the military exercises which are being held near the Tajik-Afghan border. Taking part are units of the 201st Russian Infantry division, Russian border guards, military units of Tajikistan and Uzbek peacekeepers.

Grachev said that taking part in the exercises are about 50 warplanes, 300 units of various military technology, 100 artillery pieces and mortars, 60 air defence weapons and about 2000 servicemen.

Discusses Status of Forces

LD2303172094 Moscow ITAR-TASS in English 1643 GMT 23 Mar 94

[By ITAR-TASS correspondents Vladimir Gondusov and Galina Gridneva]

[Text] Dushanbe March 23 TASS—"The law on the status of Russia's peacemaking forces may be adopted by legislators already in April this year," Pavel Grachev, Russian defense minister, said today at a meeting with servicemen of the Tajikistan-stationed 201st Motorized Infantry Division forming a part of the collective peacemaking forces in Tajikistan.

The Russian defense minister is currently in this central Asian republic in connection with conducting exercises of the collective peacemaking forces in the south of Tajikistan.

The adoption of the law on the status of the Russian peacemaking forces will allow to resolve many problems including the one concerning social benefits to servicemen and members of their families located outside Russia, Russian Defense Minister Pavel Grachev stressed.

The fate of the Russian troops in Tajikistan whose term of stay expires on December 31 this year "will depend on the political solution to the problems of this region", the minister told ITAR- TASS in an exclusive interview.

At the same time, he noted, the "strategic interests of Russia and other Commonwealth countries make Russia to station its troops in the republic and on the Tajik-Afghan border".

Speaking on the exercises being carried out in the south of the republic, the defense minister emphasised that this was not the "demonstration of force" but a planned event within the framework of collective security of the Commonwealth countries.

According to Pavel Grachev, one of the aims of his visit is to discuss principles and terms of a political settlement of the region's problems with the leadership of the republic and the command of the peacemaking forces.

"Negotiations are the main way to the peaceful settlement of the conflict," Pavel Grachev stressed. The variant of handing over the peacemaking forces from the Defense Ministry to any other department is unacceptable as other departments "have no experience of handling troops", the Russian defense minister pointed out.

On Thursday morning Pavel Grachev is due to visit the area of the exercises of the peacemaking forces.

Government Denies Unwillingness To Talk

LD2303182794 Moscow INTERFAX in English 1549 GMT 23 Mar 94

[From the "Presidential Bulletin" feature: No. 56 (546); Compiled by Nikolay Zherebtsov, Andrey Petrovskiy, Edited by Vladimir Shishlin]

[Text] Saidmorod Fattoyev, an aide to parliament Chairman Emomali Rakhmonov, denied the rumors of the government dragging its feet on the start of talks with the opposition in Moscow.

He said in an exclusive interview with Interfax that a state commission had been set up last year under the chairmanship of first Deputy Chairman of the Supreme Soviet Abdulmajid Dostiyev which had initiated contacts and negotiated with all political groups on civic accord and return of refugees. This commission, jointly with other organizations, in particular the UN, had succeeded in having 800,000 refugees, notably displaced persons, returning to Tajikistan. By official accounts, he said, there are no more than 30,000 Tajik refugees in Afghanistan and the commission was doing its best for their return. IF Note: The UN High Commissioner's Office on Refugees resumed repatriation of Tajik refugees from Afghanistan via Uzbekistan Wednesday. A large group of Tajik refugees is expected to arrive in the southern town of Termez in the afternoon of March 23 to be moved into Tajikistan by bus. Last year 8000 Tajik refugees had returned via Termez from the Sakhi camp outside the Afghan town of Mazar-e Sharif.

Fattoyev thought that the armed opposition wanted the refugees to be kept abroad "as hostages or a card in the power game."

He said that the overriding goals of the talks with the opposition was securing the return of the remaining refugees, a civic accord, cessation of armed struggle by the opposition and easing the tension on the Tajik-Afghan border.

"Our willingness to start talks is no sign of our weakness. The opposite is true, the government holds the situation in the country under control but is prepared to hear its political opponents. This is a goodwill gesture."

Fattoyev also thought that it would not be proper to say that the talks were put off because the date of their start had not been negotiated. IF Note: A senior official in the Russian Foreign Ministry told Interfax that the talks between the Tajik government and the armed opposition were to start in Moscow but no exact date had been specified. He thought that the date had been changed from mid-April to some time later because "much time is consumed in sending the invitations and other organizational matters."

In Fattoyev's view, the talks were not the overriding issue because the government had more urgent matters to handle. In particular, "we have to stop the production decline at least in the agriculture, have the sowing done,

move enough foodstuffs, diesel fuel and gasoline in and restart the basic economic mechanisms."

Fattoyev strongly denied rumors that Dushanbe was under significant pressure from Tashkent as far as relations with the opposition were concerned. "Uzbekistan is our closest neighbor which has its interests in Tajikistan but its wishes and advice are made known in the way this is done throughout the civilized world," Fattoyev emphasized. In his words, Tajikistan is a sovereign state "and any pressure or dictation or interference, in particular into relations with the opposition, is out of the question."

He was convinced that talks with the opposition will take place. He thought that the government had to talk with those opposition leaders who had an influence with the armed groups. IF Note: An informed source close to the Tajik government said that the government did not want to talk to those who represented only themselves. The source told Interfax that "any field commander has greater influence in the republic than former kazikalon (spiritual authority) Akbar Turajonzoda (now staying in Iran) or Atakhon Latifi, chairman of the Coordinating Center of Tajikistan's Democratic Forces. "These men act as minor mediating figures. We should talk with those who command armed opposition," he emphasized. This was, in his view, the reason why the talks could not start.

Fattoyev felt that it was the opposition leaders who were dragging their feet. He believed that "there was no consensus in the opposition" whereas the Tajik government knew what it could offer.

Local observers thought that the talks would hardly bear fruit immediately and improve the situation for the sole reason that the opposition is divided but the government would meet the opposition halfway for the sake of accord.

Authorities Ready for Dialogue With Opposition

LD2403110794 Moscow ITAR-TASS World Service in Russian 0940 GMT 24 Mar 94

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe, 24 Mar—Official Dushanbe is ready to start the process of negotiations with the opposition, Abdulmadjid Samadov, the head of the Tajik Government stated to journalists today. In his words, intensive preparations for the forthcoming dialogue are under way in the republic, and a delegation has already been practically formed. It will be headed by Shukurjon Zuhurov, the republic's labor minister.

The prime minister stressed that there is no alternative to a peaceful political settlement of the Tajik conflict, but he refrained from stating a preliminary date for the beginning of the dialogue and the names of the representatives of the opposition forces with whom the authorities of Tajikistan are ready to sit down at the negotiating table.

Incidentally, the latter circumstance is very important. Local observers believe that, and Colonel-General Boris Pyankov, the commander of the collective peacekeeping forces in Tajikistan stated on several occasions that the real force is represented by that part of the opposition which, figuratively speaking, is controlling weapons. It is this part of the opposition, which declared itself as the irreconcilable opposition to the present regime in Tajikistan, and which set up the so-called government in exile in Afghanistan, that has, of late, also announced its readiness for a political dialogue with Dushanbe.

Local observers, however, are quite skeptical about the feasibility of the dialogue, referring, in particular, to the recent statement made by the press center of the republican procurator general, which demands that practically all the leaders of the armed opposition be detained and taken to court, including Khodzhiakbar Turadzhonzoda, former spiritual leader of the Tajik Muslims; Shodmon Yusuf, chairman of the Democratic Party; Davlat Ousman, deputy chairman of the Islamic Rebirth Party, and Tohir Abudujabar, chairman of the Rastokhez movement. Criminal proceedings against them, the Tajik procurator general's statement says, were instituted in absentia as early as spring 1993. They are accused of a number of crimes against the republic's constitutional system. Davlat Khudonazarov, one of the opposition leaders, is on a black list too, although criminal proceedings against him have not been officially started.

Peacekeeping Forces Conduct Exercise

PM2403105194 Moscow KRASNAYA ZVEZDA in Russian 24 Mar 94 p 1

[Report by Aleksandr Pelts: "Peacekeeping Forces' Training Battles"]

[Text] Tajikistan—Army General Pavel Grachev, Russian defense minister, arrived in Dushanbe. With the defense ministers of Uzbekistan and Tajikistan he will observe the course of the tactical exercise by the collective peacekeeping forces and Russian Border Troops in the Republic of Tajikistan.

As we know, the main aim of the exercises is to improve the system of management of the collective peacekeeping forces and also to rehearse combat teamwork training and collaboration with the Russian Border Troops units. The first stage—putting the units in a state of heightened combat readiness, advancing into the region of the exercises, and field fortification—has been completed. As Colonel General Grigoriy Bessmertnyy, chief of staff of the collective peacekeeping forces, stressed in an exclusive interview with KRASNAYA ZVEZDA, all troops taking part in the exercise have taken up their positions and are prepared to research defense operations. It is planned later in conjunction with the border

guards as the tactical training situation proceeds to switch from defensive operations to a counterattack—to "restore the situation along the Republic of Tajikistan state border."

Grigoriy Bessmertnyy stressed that the exercise which is being conducted is not connected with the complication of the situation on the Tajik-Afghan border and is a planned one. The joint command had given advance notification of the start of the exercise and had invited numerous observers, including through UN channels, and the ambassadors of Russia and the United States to the Republic of Tajikistan. He also denied rumors which had appeared in various mass media that the troops' actions could cause serious harm to the natural resources of the "Tigrovaya balka" state nature reserve. The collective peacekeeping forces chief of staff stated that the region of the exercise had been agreed in advance with the leadership of the Republic of Tajikistan and with environmental specialists. The rumors which have appeared are all the more unfounded in that the area where the exercise is being conducted is in the Northern regions of "Tigrovaya balka" and more than 15 km from the borders of the state nature reserve.

Touching on the progress of the exercise, Colonel General Grigoriy Bessmertnyy noted that it had entered its most active stage 23 March.

Our correspondent visited the Russian border guards on the eve of the study, and in particular the tragically famous 12th border post, which now bears the name of 25 heroes. According to Lieutenant Aleksandr Orlov, acting chief of the post, the situation here remains complex. On 20 March Tajik gunmen and mojahedin had yet again shelled the mobile observation point. The border guards put an end to the act of provocation with return mortar fire. There were no casualties among the border guards. Here, at the 12th border post, Russian servicemen of the 201st motorized rifle division are serving—tank crews under the command of Senior Lieutenant Yuriy Nekrasov.

CIS Journalists Urge Fair Trial for Dissidents

MK2303124094 Moscow NEZAVISIMAYA GAZETA in Russian 23 Mar 94 p 3

[Unattributed report under the "NEGA Reports" rubric: "Tajikistan"]

[Text] It has transpired that the Tajikistan authorities are preparing to try four Tajik journalists who have spent 14 months in a Dushanbe prison on charges of "calling for the overthrow of Soviet power." Mirbobo Mirrakhimov, former chairman of the State Committee for Television and Radio and a candidate of historical sciences, was arrested on 8 January in Ashkhabad [Ashgabat]; Akhmadsho Komilov, former Dushanbe television studio director, and television analysts Khurshed Nazarov and Khayriddin Kosimov were arrested at the same time in the Kyrgyz city of Osh. Eduard Sagalayev, chairman of the International Confederation of Journalists Unions, and Aleksey Simonov, chairman of the Fund for the Protection of Glasnost, have signed an appeal to the CIS heads of state, pointing to the dubious criminal charges being pressed against the journalists.

A few weeks ago, head of government Abdudzhalil Samadov promised that he would see to it that the arbitrary action would be stopped, but the promise has gone unfulfilled. The appeal calls on the CIS heads of state to help alleviate the journalists' predicament and to hold open court hearings as soon as possible to be attended by international observers.

Armenia

Armenians Claim To Take Control of Omar Pass

NC2303210794 Yerevan Radio Yerevan in Azeri 1430 GMT 23 Mar 94

[Text] Dear listeners, we now report on the latest incidents on the Nagorno-Karabakh Republic [NKR] front line and on the border between Armenia and Azerbaijan.

The latest reports from the NKR confirm that Azerbaijan is not interested in the effort to resolve the confrontation through peaceful talks. Several observers are convinced that Azerbaijan's leaders have used the relatively peaceful situation to prepare for new and large-scale attacks. The NKR Defense Headquarters has revealed that Azerbaijan's military command is massing large units and armored vehicles in areas near the front line to reinforce its positions. Not satisfied with that, Azerbaijan's military forces have continued to systematically fire on NKR positions with various kinds of arms and to launch attacks to establish whether the Armenians have strengthened their defense lines. But they have been confronted with counterattacks and forced to retreat after suffering many casualties and losing military equipment.

Azerbaijan's military forces in Fizulinskiy Rayon attacked the NKR defense positions in the east of the rayon center at 0745 yesterday. A wave of rocket and artillery fire preceded the attack. The advancing units were supported by 10 tanks and three infantry combat vehicles. There were casualties on both sides.

The NKR defense forces obstructed the onslaught but also counterattacked in the afternoon. The defense forces succeeded in occupying four heights near Alkhanly in Fizulinskiy Rayon at about 1630. The fighting is continuing in that area. Azerbaijan has used its Air Force units again.

The NKR Defense Army Information Service has reported that the Armenian freedom fighters recaptured two important heights in the Omar Pass last night. The heights were occupied by the enemy forces several days ago. The Armenian fighters have placed the Omar Pass under their control.

No change has occurred elsewhere on the NKR's front line. The confrontation is mainly in the form of positional fighting. The Artsakh [Nagorno-Karabakh] people are trying to silence Azerbaijan's positions, which are firing on them with various types of arms.

The Armenian Defense Ministry Information Service has revealed that the relatively peaceful situation on the border between Armenia and Azerbaijan has been disrupted. One of Azerbaijan's T-72 tanks has fired on the defense positions in Tavushskiy Rayon. The Armenian border guards launched retaliatory operations. No other incident occurred anywhere else in the border area last night or this morning. But the situation is tense.

Iran: No Technical Malfunction on Crashed Plane

LD2303131594 Moscow ITAR-TASS in English 1237 GMT 23 Mar 94

[By ITAR-TASS correspondent Tigran Liloyan]

[Text] Yerevan March 23 TASS—"According to preliminary data, the Iranian C-130 military transportation plane had no technical malfunction. It strayed off course and exploded in mid-air last Saturday due to unknown causes," Adbat Aminian, head of the Iranian Foreign Ministry's legal department, told ITAR-TASS here.

Mr. Aminian leads an official Iranian commission taking part in the investigation of the circumstances of the crash of the Iranian in Nagorno-Karabakh. [sentence as received]

Iranian civil aviation and air force experts are now at the site of the crash near Stepanakert. Conclusions are to be drawn after they return from there and analyse the collected data, the diplomat said.

"The flight was not of reconnaissance nature and the C-130 plane had no photographic equipment," the Iranian spokesman emphasised. "The plane carried members of the families of Iranian diplomats who work in Moscow and several Iranian students. Regular flights from Moscow to Tehran are made once a week. Therefore they decided to take the plane to fly home for lunar new year's holidays."

According to the diplomat, the authorities of Russia, Georgia, and Armenia were notified in advance about the flight, and issued appropriate permissions.

"We requested the Armenian authorities to provide the recording of radio traffic between the Yerevan air traffic controllers and the Russian airliner on a flight from Sharja to Mineralnyye Vody, via which contact was maintained with the Iranian plane in question," the Iranian spokesman said.

"We hope that the Armenian side will comply with regulations provided for by international law and investigate all the circumstances of the tragedy," the Iranian diplomat said.

Deputy Minister Receives NATO Delegation

NC2303212294 Yerevan Armenia's Radio First Program Network in Armenian 2000 GMT 23 Mar 94

[Text] The Armenian Foreign Ministry Press and Public Relations Service has reported that First Deputy Foreign Minister Zhirair Liparityan today received a high-ranking NATO delegation led by Tugay Ozseri, deputy secretary general of NATO.

The principles of the Partnership for Peace program offered by NATO to former East European and Soviet republics in January were discussed during the meeting. The Armenian authorities are examining Armenia's participation in that program.

EU Allocates 3 Million ECU for Wheat Purchase

NC2303212994 Yerevan SNARK in English 1635 GMT 23 Mar 94

[Text] Yerevan, March 23 (SNARK)—The European Union allocated to Armenia three million ECU for wheat purchase. The member of the European Commission Sir Leon Brittan told that to the Armenian Foreign Minister Vahan Papazyan during a meeting in Brussels. According to the report of the Armenian Foreign Ministry's press- service, Mr. Brittan has confirmed that "everything will be done for providing Armenia with aid."

The Vice-President of the European Commission Manuel Marin has assured an intention of the European Union to supply Armenia with as much as possible humanitarian aid.

Armenia To Cover All Costs of Plant's Recovery

LD2303141394 Moscow ITAR-TASS in English 1251 GMT 23 Mar 94

[By BUSINESS-TASS]

[Text] Moscow March 23 TASS—The Armenian party will pay costs of putting the republic's nuclear power plant back into action in full, said Nikolay Yegorov, Russian deputy minister of nuclear power industry.

Armenia would like to finish the recovery by the end of 1994, but it is premature to talk about deadlines at present, because the experts have yet to estimate the work to be done and determine what additional equipment should be brought to the plant. According to the deputy minister, it is impossible at the moment to estimate how much it will cost to resume operations at the plant in accordance with the relevant Russo-Armenian agreement, which Oleg Soskovets, Russian first vice-premier, and Grant Bagratyan, Armenian prime minister, signed on March 17.

Azerbaijan

Assembly Chairman Calls Situation 'Very Grave'

LD2403151394 Moscow ITAR-TASS in English 1332 GMT 24 Mar 94

[By ITAR-TASS correspondents Savinj Abdullayeva and Viktor Shulman]

[Text] Baku March 24 TASS—Chairman of the Supreme Soviet of the Azeri Republic Rasul Guliyev, who addressed a session of the National Assembly (Parliament) here today, described the situation in Azerbaijan as very grave. He said this was explained by the war that is continuing on the territory of Azerbaijan, by the crisis in the national economy, which is on the verge of bankruptcy, and also by actions of various political groupings, trying to destabilise the internal political situation.

In order to pull the republic out of the crisis, Guliyev believes, it is necessary to take urgent measures in two directions: To urgently end the war in a way that would fully guarantee the national interests of Azerbaijan, and to get down to economic reforms. He stressed that the republic's leadership remained dedicated to the peaceful settlement of the Armenian-Azeri conflict. Guliyev expressed the hope that the talks between the conflicting sides, currently under way in Moscow with the mediation of Russia and the CSCE, would yield concrete results. Guliyev also informed the parliament on the intention of the Azeri leadership to take resolute steps to strengthen law and order in Azerbaijan.

Azeris Claim Iranian Plane Downed by Missile

LD2403091694 Moscow ITAR-TASS in English 0849 GMT 24 Mar 94

[Text] Moscow March 24 TASS—The Iranian plane which exploded over Nagorno-Karabakh in mid-air several days ago, was downed by an Osa-type homing missile, claims a reporter of the Moscow-based TRUD newspaper in Baku, referring to Azeri sources. The article printed on Thursday says that materials connected with the crash were handed over by Azerbaijan to the Iranian side.

Commenting on this allegation at TRUD's request, the head of the Armenian mission in Moscow said that the Azeri statement "can be explained only by political aims". Iranian, Russian and Armenian commissions are working at the place of the crash, and they have not drawn any conclusion concerning reasons for the crash.

Clashes Continue Around Fizuli, Goradiz, Borders

LD2303154794 Moscow INTERFAX in English 1419 GMT 23 Mar 94

[Text] Units of the Azeri national army, on March 23, following the night's lull, resumed attacks on the Karabakh positions to the east of the Azeri center of Fizuli, Interfax was told by a spokesman of the defense army of Nagorno-Karabakh.

The spokesman said that the Azeris are trying to return the heights near the Alkhanly settlement they lost during the hostilities on Tuesday. According to the information at midday, Karabakh fighters are retaining their positions inflicting tangible casualties on the enemy.

Meanwhile, a spokesman for the Azeri Defense Ministry, reported that Armenian forces which had launched an offensive near the Alkhanly Village were forced later in the day to retreat to their initial positions. The spokesman said that during the fighting Armenians lost about 10 soldiers and two artillery units. Several servicemen were wounded on the Azeri side.

A reliable source in the Azeri Defense Ministry told Interfax that in the morning of March 23 Karabakh

forces launched an offensive against the strategic railroad station Goradiz situated not far from the Azeri-Iranian border. The source said over the past two days the Armenians lost in that direction over one hundred fighters, two tanks, three armored personnel carriers and two trucks.

Baku said that in the early hours of March 23 that guns situated in the military bases in the Berdskiy District in Armenia fired at border villages of the Tauzskiy District of Azerbaijan.

A spokesman for the Armenian Defense Ministry told Interfax that following several days of lull at the Armenian-Azeri border Azeri troops again shelled the area of the Armenian border. For example, near 22:00 on March 22 an Azeri tank T-72 fired at the Armenian positions near the Chinari Village of Armenia. No casualties were reported. Armenian forces did not open return fire.

Azeri, Armenian 'Specialists' Meet in Moscow

NC2303140394 Baku TURAN in English 1108 GMT 23 Mar 94

[Text] Moscow (March 22) TURAN—TURAN agency was told by the Russian Ministry of Foreign Affairs that today, in Moscow, a meeting between the Azeri and Armenian officials from the foreign policy and defence departments took place. The meeting is being mediated by Russia's president's special representative to the Nagorno-Karabakh talks, Vladimir Kazimirov.

The main subject of the meeting concerns the implementation of Russia's peace settlement plan of the conflict. During the present meeting, Russia suggested that the warring parties should come to agreement on the matter concerning cease-fire, establishment of the control over cease-fire and dispatching of monitors in that zone", says the source in Russian Ministry of Foreign Affairs.

Cooperation Agreement Signed With Bulgaria

NC2303220194 Baku TURAN in English 1757 GMT 23 March 94

[Text] Baku, March 23 (TURAN)—The press service of the Ministry of Economy says that yesterday Deputy Prime-Minister and Minister of Economy of Azerbaijan, Samed Sadykov, received the Bulgarian delegation headed by the Chief of Department for Eastern Europe and the CIS, Ognyan Gyrkov.

The parties signed an intergovernmental agreement concerning economic cooperation. Under the agreement, Bulgaria's Chavdar buses, medicines and ships for Caspian steam-navigation will be produced in Azerbaijan. Airways between two countries will be established as well.

Congress of Opposition Parties Created

NC2303215794 Baku TURAN in English 1757 GMT 23 Mar 94

[Text] Baku, March 23 (TURAN)—Today Democratic Congress is created in Baku. It comprises Azerbaijan Democratic Party, the Popular [People's] Front of Azerbaijan, Ana Toprag Party [Motherland Party], Musavat Party and Halg Azadlyg Party [People's Freedom Party].

The goal of the Congress is "to protect territorial and state independence of Azerbaijan, to create civil society based on democratic principles, to make executive, legislative and judicial powers legal".

Leaders of the parties said at the conference that the activity of this organization will remind of the activity of Shadow Parliament. Democratic Congress will have two-level structure. The Congress will be consisted of the chairmen and five representatives from above-mentioned parties.

ALP Conference Elects Hajiyev New Chairman

NC2303132494 Baku TURAN in English 1719 GMT 22 Feb 94

[Text] Baku (March 22) TURAN—On March 19 the Conference of the Azerbaijan Labour Party (ALP) took place in a Baku suburb. Eighty delegates representing more than 12,000 members of the parties attended the Conference.

"The main goal of ALP is to achieve civil consent based on societal partnership and internationalism", said Professor Sabutai Hajiyev in his report. "We are against radicalism in politics. Our party adheres to social democracy, liberalism and social-reformism", further said Hajiyev. Sabutai Hajiyev was appointed the Chairman of ALP. He heads the Working Commission of the ALP.

The programme of the Party says that ALP stands for the creation of a democratic state based on the rule of law. The main goal of ALP is to achieve political, economic and cultural integration of Azerbaijan in the world community. ALP supports the development of a market economy; a "open door" policy with the creation of free economic zones.

NOTE OF TURAN: Sabutai Hajiyev is a professor of geography at the Institute of Geography at the Azerbaijan Academy of Science. He is a doctor of Hydrochemistry, and is a member of UNESCO's International Hydrogeological Committee.

SOCAR, Foreign Oil Firms Resume Talks

NC2303141094 Baku TURAN in English 1108 GMT 23 Mar 94

[Text] Baku (March 22) TURAN—Today the talks between State Oil Company of Azerbaijan [SOCAR] and

the consortium of Western oil companies on development of Caspian oil-fields resumed. The talks were broken in December, 1993 when SOCAR rejected the draft of the agreement prepared by Manafov's group of independent experts.

The same month the Consortium rejected the variant of the draft of SOCAR due to unfavourable conditions. The Western companies were surprised that Azerbaijan rejected Manafov's draft since he is official representative of Azeri government. On February 4 President Aliyev ordered SOCAR to work out a new variant.

Last week President of Russian Oil Company Lukoil, Vahid Alekperov, signed the agreement in Baku. Under the agreement his Company will get the share of 10 per cent. Lukoil will get one third of Azeri oil which amounts to 80 per cent of the whole extracted oil. As is known, total reserves of oil in Chirag and Azeri fields amount to 450 million tons.

According to experts, since world prices for oil decreased, the consortium will try to achieve advantageous conditions in the contract. Western companies intend to change the world price for oil which presently totals $18 for 1 barrel. In the nearest future Azerbaijan will have to pay a great volume of oil for Western investments. It means that the share of the Consortium will change from 20 to 23 per cent and the share of Azerbaijan in the contract will decrease.

Firm To Join Offshore Drilling Consortium

NC2303090194 Baku AZERTAC in English 1707 GMT 22 Mar 94

[Text] Baku March 22 (AZERTAC)—Today, the Western companies, negotiating of joint exploration and exploitation of the offshore oil fields of Azerbaijan, were notified of the Azerbaijani Government's decision to allow the Russian oil company Lukoil to enter the consortium with the contribution of 10 per cent. According to the Azerbaijani Republic oil company, participation of the Lukoil in the consortium is stipulated by the intergovernmental agreement of Azerbaijan and Russia as well as by the main agreement signed by the Azerbaijani Republic oil company and the Russian company last autumn. The documents provide, in particular, for joint exploration of oil fields in Azerbaijan as well as in Russia.

Georgia

Georgia Joins 'Partnership for Peace' Program

LD2303165294 Moscow ITAR-TASS in English 1625 GMT 23 Mar 94

[By ITAR-TASS correspondent Aleksandr Mineyev]

[Text] Brussels March 23 TASS—Georgia became the 13th state which joined the "Partnership for Peace" programme proposed by NATO leaders to East-European countries on January. Georgian Foreign Minister Aleksandre Chikvaidze signed the agreement in the NATO headquarters in Brussels on Wednesday.

Besides Georgia, Romania, Lithuania, Poland, Estonia, Hungary, Ukraine, Slovakia, Bulgaria, Latvia, the Czech Republic, Moldova have already joined the "Partnership for Peace" programme. Russia is also ready to join the programme, maybe before the end of March, but the concrete date was not announced.

Cabinet Ratifies Agreements With Russia

AU2303143094 Tbilisi SAKARTVELOS RESPUBLIKA in Georgian 17 Mar 94 p 1

["In the Republic of Georgia Cabinet of Ministers. On Ratification of Agreements Concluded Between the Government of the Republic of Georgia and the Government of the Russian Federation"]

[Text] By a decree of the Republic of Georgia Cabinet of Ministers, the following agreements concluded between the Government of the Republic of Georgia and the Government of the Russian Federation have been ratified:

On free trade, signed on 3 February 1994 in Tbilisi.
On international highway communications, signed on 3 February 1994 in Tbilisi.
On state credit for 1993, signed on 9 September 1993 in Moscow.
On designating as credits the debts of the Republic of Georgia in respect of technical credits according to the results of 1992, signed on 9 September in Moscow.
On cooperation in the sphere of culture and science and education, signed on 3 February 1994 in Tbilisi.

Officials on CIS Ratification

AU2303142694 Tbilisi SVOBODNAYA GRUZIYA in Russian 18 Mar 94 p 1

[Interview with former Vice-Premier Irina Sarishvili, leading member of the National-Democratic Party (NDP), Parliament Deputy Speaker Vakhtang Rcheulishvili by Tinatin Gviniashvili; place and date not given: "Will International Experts Be Summoned?"]

[Text]**At one of the recent sessions of the Georgian Parliament, Irina Sarishvili, a deputy from the NDP, stated that the ratification of the agreement on Georgia joining the CIS was illegal. The view was also expressed that it was necessary to summon international experts in order to establish the legality of this act.**

We met with Irina Sarishvili and Parliament Deputy Speaker Vakhtang Rcheulishvili and asked them to comment on the situation that has taken shape.

[Sarishvili] Yes, we delivered our statement on the illegality of the ratification of the agreement on Georgia joining the CIS.

As for inviting international experts, this has been insisted upon by the representatives of both the majority and the minority in Parliament. However, I know that, even if the conclusions of the experts are in our favor, this will essentially not change anything. I hope that our statement will serve the future when Georgia will once more be given the chance to acquire independence. In its time, in 1921, the Georgian Government, which we often curse, did not sign the treaty on Georgia joining Russia, which is now identical to joining the CIS. Therefore, for a long time, Georgia was not a legal part of the USSR. If there had been no ratification on 1 March, this fact would have given us the chance to acquire a status similar to that held by the Baltic republics.

What is most surprising is not so much that the agreement on Georgia joining the CIS was ratified but that this step was proclaimed as the only means by which Georgia can emerge from the serious situation in which it finds itself today, the sole reason for which, so it is claimed, is the complication of relations with Russia. However, we are inclined to believe that 80 percent of all the misfortunes have been conditioned by internal state policy.

[Rcheulishvili] I consider it wholly legitimate to call upon international experts to act as arbitrators. The arrival of international experts will benefit both the opposition and those not in opposition. The more frequently we have contacts with professionals, the better this will be for our Parliament in general....

As regards the possible results of their work, they will not be able to change the decision that has been adopted.

It is a great pity that Parliament lacks the institution of the constitutional court to whom parliamentarians who are dissatisfied with something could appeal. I hope that this fact, which is necessary for the normal work of Parliament, will be taken into account in the new constitution.

Shevardnadze on UN Report Against Peacekeepers

LD2303144894 Tbilisi Radio Tbilisi Network in Georgian 0900 GMT 23 Mar 94

[Interview with Georgian leader Eduard Shevardnadze by unidentified correspondent on 22 March; place not given—recorded]

[Text] [The interview follows a news item on Butrus Ghali's report submitted to the UN Security Council on the inexpediency of sending peacekeeping forces to Abkhazia]

[Announcer] In this connection Eduard Shevardnadze yesterday gave an interview to Georgian television. Here is the recording.

[Shevardnadze] I do not think that we are talking about the Security Council here, I mean the document that was circulated by the secretary general in the Security Council. As for the Security Council, it has not convened and has not discussed the report.

Now, about the document itself. I read it this evening [22 March], and to be absolutely honest, I did not want to comment in detail because the forecast is such that-...[Shevardnadze pauses]...there are some clauses and regulations that do not quite inspire hope but there are some promising ones too. Therefore, I am for studying every possibility and weighing up every word and only then should we assess this document. Thus, we must not be guided by the first impression. This document is more profound than it seems to be, although, as I said, it is not hope inspiring.

[Correspondent] Did parliament's recent decision on Abkhazia influence this document? Why do you think this document was drawn up at all?

[Shevardnadze] I would say that there was no immediate influence but the fact remains that the Abkhaz side used this instance for wrecking negotiations. Adopting a decision according to clause 6 at the Security Council, there must be, first, consent from both sides, and second, some progress during negotiations. The delegations were about to reach this point, and if not in New York, then at the next round, some progress would probably be reached either in connection with the return of refugees or any other issue. But they [the Abkhaz side] used it [parliament's decision] and it had a considerable influence [on wrecking negotiations].

I said after my arrival from New York that a U.S. representative in the Security Council told me that this decision was wrong. According to the contents, everything is correct, but when the negotiations were being held and the issue was being discussed in the Security Council, it played a serious and negative role.

[Correspondent] Lastly, do you think that after [words indistinct] time come to refuse a peaceful settlement of this conflict, to be more accurate, has it turned out that the course for a peaceful settlement of the conflict is fruitless?

[Shevardnadze] It is a very difficult question. The answer will probably be the following: In order to come to the conclusion that the course—with the interference of the United Nations, the United Nation's participation, and Russia's mediation to settle the conflict in a political manner—turned out to be unsuccessful and failed, it is premature and hasty to draw such a conclusion. Neither does this report give grounds for drawing such a conclusion. All the more so, it is good that we recorded it [the UN Security Council session] and television viewers could see and listen to every speech by the members of the Security Council; there was total unanimity for the viewpoint that Georgia needs help and that the peacekeeping forces must be sent in. Therefore, we must wait for the Security Council session before we jump to serious conclusions. Maybe one session will not be enough.

Those who know the principle of how the UN works, they will agree with me that it fails to adopt operational decisions—that the United Nations finds it difficult. I think that Georgia did everything it could, that is, using ways for a peaceful settlement in every possible way and every channel. I said in my Monday interview that there are three ways of sending in peacekeeping troops; classical ways; [words indistinct] the second variant is the Russian contingent under the UN banner, which is a bit doubtful although Yeltsin and I agree on this variant in principle. Another variant is [word indistinct] and Russian contingent on the basis of a bilateral agreement. These are the variants and probably it will take some time. I stress that UN participation and Russian mediation—this course has not yet been fully exhausted.

Georgian Forces Mount Assault on Abkhaz Border

LD2403100794 Moscow ITAR-TASS in English 0914 GMT 24 Mar 94

[By ITAR-TASS correspondent Zurab Argun]

[Text] Sukhumi March 24 tass—The defence ministry of Abkhazia has announced that two Georgian battalions supported by one tank, two personnel carriers and artillery attempted a breakthrough from the Khodory Gorge through the tunnels to the Gulripshi region of Abkhazia, 17 kilometers from Sukhumi today. The ministry also reported that Georgian reconnaissance groups, numbering up to 100 men, tried to cross the border between Georgia and Abkhazia along the River Inguri near the village of Otobaya.

Georgian military activity was also reported in the upper reaches of the River Inguri. The Abkhazian armed forces are rebuffing the attacks. hl

Ardzinba Expresses Readiness To Resume Talks

LD2303200394 Moscow INTERFAX in English 1725 GMT 23 Mar 94

[Text] Abkhazian leader Vladislav Ardzinba said Abkhazia was ready to resume its dialogue with Georgia, but not before the latter repealed its March 10 decision to disband Abkhazia's legislature and government.

"The resumption of war in Abkhazia will hardly be possible if the Georgian leadership takes a reasonable path," Ardzinba told Interfax and Abkhazian television on Wednesday. He reiterated the Abkhazian leadership's demand that a U.N. peacekeeping force be deployed only along the Inguri River, marking the border between Abkhazia and Georgia.

Ardzinba said the leaders of the republics and regions of southern Russia and Abkhazia would be meeting in the Russian city of Krasnodar early next month. He expressed gratitude to the city's administration for organizing the meeting, which he expected to focus, among other things, on the problem of the border between Abkhazia and Russia.

Georgian-Azeri Relations 'May Deteriorate'

PM2403144794 Moscow ROSSIYSKAYA GAZETA in Russian 24 Mar 94 First Edition p 6

[Report by Arif Useynov: "Flame of New Conflict Smoldering in Georgia"]

[Text] Baku—Georgian-Azerbaijani relations may deteriorate drastically owing to the situation that has developed in areas densely populated by Azerbaijanis. There is no end to attacks by armed gangs demanding large ransoms for hostages taken from among the civilian population. Schools and apartment blocks are being set on fire. There have been plenty of killings. Muggings alternate with car thefts. The armed formations looting and pillaging in South Ossetia and Abkhazia seem to now be exploring new territory—parts of Georgia that have been settled since time immemorial by the 500,000-strong Azerbaijani community.

In the past Zviad Gamsakhurdia was keen on Georgianizing this area, freeing the hands of the "bandit formations" who began getting rich by looting and pillaging. The Azerbaijanis suffered least during the Georgian wars of the last few years and were partially able to retain their possessions. But, in the past year alone, 65 Azerbaijanis from Dmanisi, Marneuli, and Bolnisi have been abducted.

The fight against the armed gangs has been stepped up following intervention by the Azerbaijani leadership and vigorous measures by Georgian Head of State Eduard Shevardnadze. However, Georgia's Azerbaijani communities think that one-shot actions cannot solve these problems since it is not only radical nationalists, but also outside forces trying to complicate the situation in Georgia with "another Karabakh" that have an interest in the confrontation.

The situation in the region has had a palpable impact primarily on the Georgian economy. Azerbaijanis cannot cultivate the land under the barrel of a gun and the fields have not been sown. The market has lost an appreciable amount of food. Gangs are active on the highways linking the "Azerbaijani" regions with Tbilisi and Baku, and the Georgian militia itself is not averse to exacting dues from the peasants and confiscating produce.

Observers think it extremely dubious that the Georgian authorities are capable of imposing order in the region given the chaos reigning in the country. The Azerbaijanis are asking Heydar Aliyev to help and vigorously defend his compatriots. The situation has not improved even after Eduard Shevardnadze received a group of Azerbaijani elders. Leaders of Azerbaijan's political parties are voicing fears that the situation itself will force the Azerbaijanis to take up arms in order to defend their families.

Turkey Offers Help in Establishing Naval Forces

PM2303141794 Moscow KRASNAYA ZVEZDA in Russian 23 Mar 94 p 2

[Vitaliy Denisov report: "Georgian Navy Specialists Will Be Trained in Turkey"]

[Text] Tbilisi—Captain First Rank Aleksandr Dzhavakhishvili, commander of the Georgian Navy, has met with Colonel Zekari Bobuc oglu, military attache at the Turkish Embassy in Georgia. During their conversation Dzhavakhishvili related the problems involved in the formation of a special naval brigade in Poti and the operation of the maritime center. The military attache voiced Turkey's willingness to cooperate in the organizational development of Georgia's national naval forces. The first step toward cooperation will be the training of cadres at Turkey's educational establishments.

Article Views Prospects of Centrist Forces

AU2303134294 Tbilisi 7 DGHE in Georgian 11-17 Mar 94 p 3

[Article by Maia Gogoladze: "Centrist Forces Have No Alternative But To Unite...."; passages between slantlines published in boldface]

[Excerpts] **Nodar Natadze [chairman of the Georgian Popular Front]: "A centrist position does not mean standing between those on the right and those on the left, between one extreme and the other. A centrist position is one that views the central question of the construction of the state."**

Irakli Shengelaia [leader of the Christian-Democratic Party (CDP)]: "The chief characteristic feature of a centrist force, apart from political tactics, is political language. A centrist never operates using such concepts as 'traitor to the nation,' 'agent,' and 'turncoat.'"

Davit Berdzenishvili [leading member of the Republican Party]: "The democratic center is creating more problems today for Georgia's leadership than the radically-minded wing."

Tedo Paatashvili [leader of "Charter-91"]: "In a war situation, the country's political center cannot be viewed as the center according to the traditional meaning of this word. The situation that has taken shape in the country is definitely pushing it toward radicalis. [Passage omitted]

As can be seen, new elections are not far off. Probably, the most well-defined centrist forces are the Republican Party and the Popular Front that will again contest the elections together. **Realistically speaking, however, there are four forces amongst whom seats will be distributed at Georgia's future elections. These forces are: The Union of Georgia's Citizens [led by Shevardnadze], the Liberal-Conservative coalition, the Republican Party, and the National-Democratic Party [NDP].**

The Republican Party is today creating serious problems for Shevardnadze's government. It is opposing the latter more fiercely than the radically-minded wing. Davit Berdzenishvili, one of the leaders of the Republican Party, explains the mechanism that has come to power today as follows: "After 9 April [1989, when Soviet soldiers forcibly dispersed a peaceful demonstration killing some 20 civilians], opposition to the communist regime was conducted in the name of Gamsakhurdia. The communist regime in those republics of the former Soviet Union where it was impossible for the Communist Party to remain in power gave way to such forces that were unable to govern the country and, following their collapse, a transformed communist nomenklatura assumed the reins of power. It was not possible for such a scenario to be played out in the Baltic states, but it was implemented with great success in Georgia. Therefore, the fresh victory for Brazauskas does not signify the strengthening of the pro-Russian orientation in Lithuania. However, Shevardnadze's arrival in power in Georgia means precisely this. Moreover, he has confirmed this by his own actions." **It could not happen in Lithuania because of the strength of the democratic centrist wing and the existence of social strata supporting it. Reform really got started there and the principles of a market economy were put into action. The country gradually distanced itself from Russia and integrated itself with the West. Therefore, both the success of Brazauskas in Lithuania and the success of leftist forces based on the former Communist Party in Poland in no way create a threat to the sovereignty of these countries. As regards their foreign policy and relations with Russia, they are as principled as, say, Walesa and Landsbergis were.**

Events in Georgia have developed differently. Centrist forces and the social strata supporting them are in the process of being formed. The political spectrum is now being cleansed and extended. From this point of view, the creation of the Union of Georgia's Citizens has fulfilled a certain positive role. The Republican Party assesses this event as a normal political process.

Davit Berdzenishvili: "The creation of a political organization around the figure of the head of state will contribute to the cleansing of the political spectrum. Belonging to such a political organization, which, to all intents and purposes, is leading the country, determining cadres policy, has a monopoly on the mass media, and has brought the youth movement under its influence, places certain responsibilities upon its members. If the Shevardnadze factor were to lose its appeal tomorrow, a certain number of his supporters would follow him. Such is the logic of the political process. It is only unfortunate that a large number of the leaders of our (?student) movement [word indistinct] nourished in both the material and political sense of this word. It is some consolation that this does not apply to everyone."

The creation of the Liberal-Conservative coalition has also contributed to the tidying-up of the political spectrum. The coalition views itself as a centrist formation, although it is difficult to say how centrist the Merab

Kostava Society is, which is part of the coalition. The Republican Party does not view the coalition as belonging to the center although it recognizes that the organizations within it—the Ilia Chavchavadze Society and "Charter-91"—clearly manifest centrist tendencies. The Union of Traditionalists, however, will not oppose the center. The view exists that the "coalition" will form itself as the right wing. It is not excluded that this political union will split into two.

As always, the political steps taken by the NDP are interesting and original. The National-Democrats expressed the wish that the NDP declare itself as a centrist organization. They have said several times that the NDP occupies the center of the political spectrum. It is clear to everyone that the NDP, given the mentality, tactics, and political language and skills that characterize it, will never attach itself to the center. This party's situation will be quite complex at the next elections. The NDP is not detached from the Shevardnadze factor. Naturally, the NDP will try to appear as an independent political force and it will try, during the election campaign, to use those steps that the party took to disassociate itself clearly from Shevardnadze's policy. During the last few months, the National-Democrats have been less active in Parliament and Giorgi Chanturia himself appears as the party's leader. [sentence as published] This is probably a tactical step. As can be seen, the National-Democrats want to preserve their equilibrium before the new elections. They will try to ensure that the NDP is not perceived as the alternative to Shevardnadze so as not to inflict a major blow upon themselves. However, at the same time, it is not in their interests to appear once more in the role of the young friends of the central figure, Eduard Shevardnadze.

If a change of positions and partners is not alien to the National-Democrats, they could propose the next metamorphosis to their own electorate after the new elections. In general, as my respected colleague would have said, the NDP and its leader (we will not specify which) are amazingly principled and aggressive in their lack of principle. Therefore, it will be quite difficult for the electorate to trust this party and its leaders.

The CDP was formed as a centrist force. It is centrist both in its mentality and tactics and in its attitude toward key questions concerning the construction of the state. It is another question how effective this force is. There is no doubt that the efficiency of centrist forces would have doubled, if they had united in a form acceptable to each one of them. The CDP leader Irakli Shengelaia does not deny that a weakness of these forces is their fragmentation. There is almost no question on which the CDP and the Republican Party would not be able to reach a consensus. Batoni Irakli Shengelaia says that they have to move toward one another. It would be better if these steps were taken right now.

The attitude of the Union of Traditionalists toward centrism is very interesting. It is difficult for us to deny that this political force is not centrist in its origins. However, it is also difficult to deny that the Traditionalists' wing is, according to its tactics, almost moderate policies, and constructivism, satisfying a whole number of serious demands of the center.

"Charter-91" is clearly perceived by the Georgian political spectrum as a centrist-oriented political organization. This organization has more than once been given the chance to affirm its centrist reputation. However, Tedo Paatashvili, the leader of "Charter-91," believes that, in a war situation, the country's political center is permitted to manifest a certain radicalism. **The fragmentation of centrist forces in Georgia has its internal logic and is due not only to subjective reasons. The self-declared center is more radical than forces that are recognized as being radical and is creating far more problems for the authorities than the latter. Certain right-wing forces are displaying moderation and the desire to cooperate of which the center is envious. The centrist forces differ according to their political origins, mentality, and world outlook; they also differ according to their attitude toward a whole number of questions concerning the construction of the state. In spite of everything, there is probably no alternative to the unification of centrist forces. The future of the country depends on these forces as there are no other reformist-minded forces in Georgia. There centrist reformist forces have a single social base, more precisely, the embryo of a social base—business circles that, no matter by what means they have collected their capital, are in need of assistance and protection as far as their own financial and economic activities are concerned.**

As regards the elections, it is very difficult to make any forecasts concerning the Georgian population. However, one thing can be said without difficulty: The centrist forces will have a future provided they realistically propose something to the electorate and show that their own activities hold some prospects.

Estonia

Public Meeting Calls for Government Resignation

LD2403113494 Tallinn Radio Tallinn Network in Estonian 1000 GMT 24 Mar 94

[Text] Last night a public meeting organized by the Estonian Citizens' Union took place at the Nomme people's hall. Speaking to a large audience were Riigikogu [parliament] members Juri Toomepuu [Estonian Citizens' Union chairman] and Peeter Lorents the press service of the Citizens' Union reported to ETA [Estonian Telegraph Agency]. Toomepuu spoke about the ethical crisis, which according to him is rife in government circles, the ensuing waste, and state-owned companies being turned into private firms by illegal means and criminal incompetence. According to Lorents the government has so far still not managed to move from the economy of spending to the economy of revenues. A mighty flow of money and resources travels in Estonia without any control and taxation, he said.

According to the press service of the Citizens' Union, the public meeting at Nomme decided to appeal to the Estonian public and government in order to voice their dismay with the catastrophically declining economic and social policies. At a proposal from Toomepuu, it was decided to call to the Riigikogu and government to introduce a link between pensions and the average wage. Many people of Nomme demanded the government's resignation which met with a unanimous support from the whole audience.

Committee Head Praises Lifting of U.S. Arms Ban

WS2403093194 Tallinn ETA in English 1803 GMT 23 Mar 94

["News Release"]

[Text] The decision of U.S. President Bill Clinton, of Tuesday [22 March], to lift ban on the sale of arms to the Baltic states was a logical continuation of the developments that have taken place in the post-Communist states, opening all world's arms markets to Estonia, head of Estonian parliament's state defence committee Rein Helme told ETA, on Wednesday.

"The fact that the ban on arms sales was abolished proves that the policy of the Estonian government in enacting a demonstration breakthrough in obtaining arms from Israel was right," Helme said, recalling the Israeli-Estonian arms deal of $49 million, concluded last year. Helme stated that from now on it is possible that arms will be obtained from several NATO states, admitting, however, that there was no need for additional large arms deals between Estonia and foreign countries in the nearest future.

MP Trivimi Velliste told ETA that Clinton's decision was a "serious step in strengthening the international position of the Baltic states", which could be connected with the active participation of the Baltic states in the Partnership for Peace programme.

Zhirinovskiy Man Forced To Visit Psychiatrist

LD2403110694 Tallinn Radio Tallinn Network in Estonian 1000 GMT 24 Mar 94

[Text] This morning Petr Rozhok, the Estonian representative of the Russian Liberal Democratic Party, was taken for a psychiatric specialist opinion. BNS [Baltic News Service] has been told by the Interior Ministry that forcible removal was applied to take Rozhok to the psychiatrist. According to the code on criminal procedures, a person may be taken for a psychiatric specialist opinion if he fails to do so voluntarily. The Interor Ministry's adviser, (?Kaja Tullo) told BNS that Rozhok has not been arrested. If psychiatrists do not find his condition dangerous to society, he will be freed. Rozhok has also a right to a lawyer and to contact the Russian Embassy and to demand that another psychiatric opinion be carried out. As is known, the security police have accused Rozhok of inciting inter-ethnic hatred.

Coalition Meeting To Avert Centrist Split

WS2303095194 Tallinn BNS in English 0658 GMT 23 Mar 94

[Text] Tallinn, Mar 22, BNS—Negotiations are scheduled to begin on Wednesday [23 March] between Pro Patria, the senior party in Estonia's ruling coalition, and their fellow coalition members Rural Centrists, who have threatened to quit over that the government allegedly is defying the interests of farmers.

Pro Patria will be represented at the talks by the party Chairman Mart Laar, General Secretary Ivo Rull, deputy head of the parliament faction, Kalle Jurgenson, and MP Vootele Hansen. The delegation of Rural Centrists will include party Chairman Ivar Raig, chairman of the party's Central Council, Vambo Kaal, Agriculture Minister Jaan Leetsar and Minister of Reform Liia Hanni.

MP Vootele Hansen in a brief interview with BNS said the meeting was to discuss finding finances to credit the farm sector, as well as drawing up legislation for regulation of the market. "Of course, we don't consider it possible to give up free market principles," he said.

Rural Centrist Party's Vambo Kaal, in turn, said his party hoped to resolve issues such as protecting of the domestic market, financing and taxation of the rural economy, privatization, problems of cooperation within the coalition.

"If we fail to succeed in resolving the problems by mutual compromise, we cannot continue our activity as part of the coalition," Kaal said.

Pro Patria this week is also to begin talks with the Social Democrats, the other party beside Rural Centrists in the ruling coalition's Moderate bloc. Mart Laar, Ivo Rull, as

well as Pro Patria parliament faction chairman Tiit Sinissaar and Defense Minister Indrek Kannik are to sit down at the negotiating table opposite a delegation of the Social Democrats led by the leader of the party, Social Affairs Minister Marju Lauristin.

Mihkel Parnoja, deputy chairman of the Social Democrats, has told BNS the key issue for his party at talks with the senior coalition partner is cooperation within the coalition until next the elections. He said cooperation within the coalition could be better, especially since over some issues coordination in the coalition tends to happen too late.

Reactivated Exports to Russia Give Farmers Hope

WS2303191894 Tallinn BNS in English 1600 GMT 23 Mar 94

[Text] Tallinn, Mar 23, BNS—Reactivated farm exports to Russia have brought up demand particularly for dairy products. This is also adding to the rise in food prices in Estonia, experts say.

The country's agriculture minister in his comments today denied that growing exports could have a major impact on the price rise, saying the development was natural in moving closer to the European price level.

Prices of farm products on the domestic market will continue to rise for some time to come and the rise apparently won't stop before the prices reach the European level, Estonian Agriculture Minister Jaan Leetsar told BNS.

"Rise in domestic market prices is an absolutely normal phenomenon and I wouldn't link it with the increase in exports or rise in inflation," the minister said in the interview.

Estonia's largest manufacturers of cheese, the dairy processing companies in Voru and Paide, are selling about 50 percent of their products on the domestic market, while about 30-40 percent goes to Russia, Leetsar said. Demand is so high that partners from Russia come to Estonia themselves to buy these products, so that the Estonian producer no longer has to deal with the customs problems, he said.

Experts say the sudden price rise in Russia has increased exports to that country. Because of a shortage of raw products, especially of milk, also prices on the Estonian market are growing more quickly and causing higher inflation.

The agriculture minister dismissed the allegations, saying a shortage of raw products had caused the problem. This is because milk production has been unprofitable for a long time in Estonia, he said. The minister also said Estonia's supplies largely depended on the time of the year and on previous summer's weather.

Estonia is estimated to reach the 1990 figures in its farm output only by the turn of the century. Statistics reports show Estonia's farm sector, apart from private farmers, sold 90,500 tons of meat to meat processing companies in 1993, which is down 36 percent from the year before.

The output of milk in the state-owned and reformed collective sectors declined 25 percent to 510,100 tons in the same period. For eggs, the decline was 36 percent to 220 million eggs. The private sector's output decreased 38 percent to 81,400 tons for meat, and by 17 percent to 592,200 tons for milk in one year to 1993. The figures only show the amounts bought by meat and dairy processing companies and fail to reflect the substantial role of direct sales on open markets, etc.

'Politically Repressed Persons' Bill Completed

WS2303133194 Tallinn BNS in English 1002 GMT 23 Mar 94

[Text] Riga, Mar 23, BNS—The Latvian Saeima (parliament) Human Rights Committee has completed a bill on the status of politically repressed persons, Dainis Vanags, head of a committee investigating into crimes of the totalitarian regime, told reporters Tuesday [22 March].

Under the bill, the status can be granted not only to Latvian citizens but also to permanent residents who suffered either from the Communist or Nazi regimes in Latvia.

The bill, unlike the currently effective law, recognizes the two occupation regimes in Latvia, said Inese Birzniece, head of the Human Rights Committee. Presently, 28,000 people have certificates of politically repressed persons in Latvia.

The committee will submit the bill for Saeima consideration March 28.

Latvia

Envoy Conveys Clinton's Congratulations on Talks

WS2303141694 Tallinn BNS in English 1310 GMT 23 Mar 94

[Excerpt] Riga, Mar 23, BNS—U.S. President Bill Clinton is the first foreign statesman to have congratulated Latvian President Guntis Ulmanis with the results of the Latvian-Russian talks on troop withdrawal, the president's office reports.

The letter of congratulation was handed over by U.S. Ambassador to Latvia Ints Silins.

Clinton supports the implementation of agreements that were initialed March 15 in Moscow, said Karlis Grinbergs, a spokesman for the Latvian president's office.

The U.S. Embassy in Riga, however, does not want the full text of the letter to be published, said Grinbergs.

The initialed agreement has been welcomed by the leaders of Sweden, Germany, Italy, Great Britain and the Vatican. [passage omitted]

Further Birkavs Comment on Agreements With Russia

LD2303150894 Moscow INTERFAX in English 1329 GMT 23 Mar 94

[Text] The Latvian government is prepared to approve a package of interstate treaties with Russia on the Russian troop withdrawal. Latvian Prime Minister Valdis Birkavs told a briefing that the government would make an official announcement next Tuesday.

At the recent round of the bilateral talks the two sides initialed the drafts of three out of four documents—the main treaty setting the withdrawal date of August 31, 1994; agreements on the social protection of servicemen during the troop withdrawal; and on pensioners of the Russian Defense Ministry living in Latvia. In the draft agreement on the status of the Russian radar station in Skrunda, according to which the strategic base may continue for 5.5 years to come, the provision on the lease payment remains uncoordinated.

At the briefing Birkavs admitted that Latvia is proposed to agree to a compromise under pressure of the presence of the Russian troops. The prime Minister noted that the signing of an agreement will be advantageous for Latvia. First, Russia will assume international commitments to withdraw troops before the end of summer, while representatives of international authoritative organizations will monitor the radar dismantling.

If the treaty is not signed, Latvia will be internationally isolated since it will acquire an image as an unreliable partner. No doubt, in this case the Russian troop withdrawal will be suspended and would be unlikely to be completed this year, said Birkavs.

He believes the documents may be signed later in April in Moscow at the meeting of presidents Boris Yeltsin and Guntis Ulmanis.

Government Agency Explains Withdrawal Accord

WS2303191694 Tallinn BNS in English 1600 GMT 23 Mar 94

[Text] Riga, Mar 23, BNS—The Government Information Agency issued an explanatory statement Wednesday [23 March] on the March 15 agreement between Latvian and Russian negotiators on the withdrawal of Russian troops from Latvia, which forsees temporary operation of a radar station at Skrunda.

Russia has completely given up the idea to use the newest block of the radar station, according to the statement. The newest part of the compound will be transferred to the Latvian authority as soon as the withdrawal agreement is signed.

The United States has pledged Latvia 10 million USD needed to start the radar's dismantling. Russia, in its turn, promised to supply the equipment necessary to dismantle the newest block of the station.

Currently, the Skrunda early-warning antimissile radar occupies 1,008 hectares. After the agreement is signed, Latvia starts to control more than 80 percent of the territory. Russia continues its actitivities on 164 hectares of the total area for four years.

The draft agreement also forsees that Russia substitutes part of the radar's military personnel with civilians. The civil staff may be Latvian citizens and permanent residents.

Under the agreement, Russia should not change the functions or the equipment of the radar station. The "old" radar, built in late 1960's, is "morally and physically outdated," Soviet specialists said already in 1990.

Russia may even decide to suspend the operation of the costly and ineffective installation in view of its complicated domestic situation, the Latvian Government said in the statement. Moreover, Russia may start to use the Baranovici radar, which is still under construction, before the temporary operation term expires.

Law on Aliens Needed Before Signing Agreement

WS2303195594 Tallinn BNS in English 1600 GMT 23 Mar 94

[Text] Riga, Mar 23, BNS—Latvia should adopt a law on the status of aliens and stateless persons before signing the troop withdrawal agreement with Russia, the Saeima (parliament) Foreign Affairs Committee said Wednesday [21 March].

The United Nations Organization should be persuaded to recognize the fact of Latvia's occupation by Russia in 1940. The adoption of the country's foreign political concept is another urgent task, the committee said.

Latvia also created problems to Estonia when it promised Russia to guarantee the rights of retired Russian servicemen. Estonia has already adopted a law on aliens which does not forsee an option of social guarantees for Russian military persons, said committee head Alexander Kirsteins. The committee decided to send a member of the Latvian team for talks with Russia to Estonia in a bid to coordinate stances.

Commenting on the appeal to the parliaments of U.N. member states, committee member Indulis Berzins said that a Russian diplomat said officially that Russia was unlikely to recognize Latvia's occupation in 1940.

The committee concluded that its members should meet with the head of the Russian parliament Foreign Committee, Genadi Lukin, to discuss Russia's attitude toward Latvia's occupation.

Court Issues Convictions in Major Drug Case

WS2303211994 Tallinn BNS in English 1851 GMT 23 Mar 94

[Text] Riga, Mar 23, BNS—The Latvian Supreme Court concluded proceedings Tuesday [22 March] in an unlicensed drug production case and sentenced the main culprits to three to seven years in prison, with property confiscation.

The former director general of the state-owned Latbiofarm pharmaceutical factory, Ilmars Penke, was convicted for grave abuse of service status and large scale keeping and trafficking narcotic drugs in acquisitive purposes.

Penke was sentenced to seven years imprisonment with property confiscation, except his summer house. The charges on Penke's deputy, Vyacheslav Kulikov, were the same, his sentence is seven and a half years imprisonment with property confiscation. The third accomplice, the former central laboratory chief Janis Osis was convicted for three and a half years with property confiscation. The court maintained that Penke and Kulikov were driven by covetousness but Osis—by other personal motives.

The Criminal Police Department was commissioned to destroy the material evidence of 1 million pills of amphetamine group stimulants of the central nervous system, which were produced illegally under the disguise of flu medicine. The defendants' defense lawyers said they would appeal.

In total, Latbiofarm made 16 million pills of MDA amphetamine drug between July 14, 1992, and Dec. 1, 1992, against a contract with a Slovakian firm.

Fifteen million, or 4.5 tons of the drug, were sent to Frankfurt am Main, Germany, under the shield name of remantadine. The German police detected more than 3 tons of MDA tablets in the city airport in December, 1992. One third of the pills was never found, police reports.

The investigation proved that Penke and Kulikov received from the Slovakian Weinwurm & Co. firm 198,000 Dutch guilders and 196,500 German marks. Penke and Kulikov divided the money and kept it at home. At court, they testified that they would have used the resources to pay bonuses to workers.

The convicted manufacturers deny their guilt saying they did not know they produced a narcotic drug. The court said the defendants had substantially undermined the international prestige of Latvia as an independent country.

Ministry Official on Job, Tasks, Organized Crime

WS2303153694 Kaliningrad STRAZH BALTIKI in Russian 10 Mar 94 p 3

[Interview with L. Mucins, parliamentary secretary of the Latvian Interior Ministry, by A. Borovkov; place and date not given: "Evasive in the Meantime"]

[Text] [Borovkov] First of all, I would like to find out what are the duties of the Interior Ministry parliamentary secretary.

[Mucins] The interior minister and I are the political leaders of the ministry, while Colonel Staris, Interior Ministry state secretary, is the highest "uniformed" official in our department. There are three major groups of my official functions. First of all, I am responsible for relations with the legislature. There are a lot of committees in the parliament and Minister Kristovskis himself is working in one of them. Thus, at the sessions of committees, and even sometimes at the Council of Ministers, I have to represent the interests of my ministry. I sometimes speak at plenary sessions on behalf of the council, including the presentation of certain draft laws. Secondly, the parliamentary secretary takes part in the sessions of the Council of Ministers and its three committees. For example, I have recently reported on adopting a new progressive system of penitentiary institutions. We are eliminating camps and adopting the system of prisons. Finally, the third direction of my activity is so-called ministerial. It includes the drafting of documents, for example the ministry's charter, reorganizing our structures, and the like. Alas, whether someone likes it or not, sessions take up half of my working time.

[Borovkov] To what extent does the legal footing correspond to the current realities?

[Mucins] Unlike other people, I have nobody to blame for this. If a necessary law does not exist I am the very person who is supposed to draft it. However, the analysis of criminal activities in the Republic shows that there is a need for certain corrections in the legal sphere.

[Borovkov] What kind of corrections?

[Mucins] Take car thefts for example. It is easy to reach a conclusion about improving the procedure of trading and registering cars, adopting other measures. Last year, more than 1,800 cars were stolen and only 10 percent of those thefts have been investigated. This is much less than in other categories of crime.

[Borovkov] Does organized crime exist in Latvia?

[Mucins] Of course there is organized crime, and car thefts are a prime example. What is organized crime? First of all, this is a sociological rather than legal term. We will hardly have an article on organized crime in our criminal code. It is enough to have an article envisioning responsibility for being an organizer of a crime. However, we have had virtually no cases where we could

prove this crime. Frankly speaking, we have only been arresting small fries. On the basis of operational data, we can only guess that this or other person is an organizer of a specific robbery, murder, or case of racketeering. Organized crime means a precise division of duties. Speaking of car thefts, there are people who learn that a new car has been registered (this also means that information leaks occur), others learn where the car is being kept, still others steal it, drive across the border, sell it, and so on.

[Borovkov] What about the term "Mafia," which is so loved by the press?

[Mucins] We are using this term to denote the merging of organized crime with state structures. For example, the merging of criminal groups with the militia was noticed as far back as the 1970's. This trend has hardly been decreasing ever since. It must be at the same level, if not higher.

[Borovkov] However, almost the entire bureaucratic machine has been replaced in Latvia.

[Mucins] I cannot cite any facts or concrete accusations in this regard, but the trend remains. We keep this in mind. A hundred hares do not amount to a single horse; a hundred suspicions do not amount to a single fact. In one particular case, an investigator acted as a middleman between an executive body official and a man who wanted to privatize a facility on favorable terms. However, these kinds of crimes should be fought by special structures. Regular police methods do not work. The police here work like a fire brigade, rushing to those places that are already on fire. Thank God, we somehow manage to do this, but we need specialists who could work on prevention, analyze data, and plan in advance.

[Borovkov] Speaking of fighting economic crime, how are things going in this regard, given that the Department for Fighting Thefts of Socialist Property has been disbanded?

[Mucins] This is both good and bad. People from the department joined other structures, because they would not be able to work up to the new economic realities. On the other hand, we must form a structure for fighting thefts of not only socialist but all kinds of property, corruption, fake bankruptcy, and the like. However, we need new people with a new kind of knowledge. When we are through reorganizing the general structure of the ministry, we will get down to reorganizing individual departments.

Overall Drop in Number of Crimes Reported

WS2403081994 Riga LETA in English 1425 GMT 23 Mar 94

[Text] Riga, March 23 (LETA)—Within the first two months of 1994, 5,690 crimes have been registered in Latvia. According to the data from the Latvian Ministry of Internal Affairs, the number of crimes has decreased by 37.3 percent against the previous year's January and February. The number of grave crimes has decreased by 40 percent against last year.

Within this year's first two months, 52 murders have been committed in Latvia, as well as 19 rapes, 100 crimes connected with outrage of bodily injuries, 168 robbers' attacks, 3,898 thefts, 52 swindles and 33 crimes connected with drugs.

Former KGB Chief Moved to Hospital Prison Ward

WS2403082294 Riga LETA in English 1425 GMT 23 Mar 94

[Text] Riga, Mar 23, LETA—Former chief of Russian secret service KGB in Latvia, Alfons Noviks, 86, who has been arrested last week facing charges of genocide against residents of Latvia, has been transferred to the hospital prison ward with a fit of high blood pressure, says the daily "Neatkariga Cina", citing Uldis Strelis, Deputy Prosecutor General of Latvia.

Other officers of the notorious former Soviet secret police are to follow Noviks and be put to prison, maintains the daily "Diena", indicating that a surge of arrests of other colleagues of Noviks and those directly involved in repressions which have been carried out in Latvia, is to be expected in the near future. Evidences are being collected and witness interrogated in probes of several other offices of the former KGB who are facing the same charges as their former chief. Up to now many victims of the past repressions have feared to give evidence and to turn in documentary evidences of criminal activities by Alfons Noviks and executors of his orders, said Dainis Vanags, chairman of the committee of totalitarian crimes investigation. However, during the last two months people have become more active in supplying the committee with numerous materials of help in investigating the cases.

Lithuania

Russia's 'Tougher' Stance in Negotiations Noted

LD2303164194 Vilnius Radio Vilnius Network in Lithuanian 1400 GMT 23 Mar 94

[Text] A news conference was organized in the Seimas today by Ambassador Virgilijus Bulovas, head of the group for negotiations with the CIS countries, and financial and economic expert members of the group.

Assessing the meeting of the Lithuanian and Russian negotiators in Moscow, Bulovas mentioned that the stand of the Russian delegation has become tougher than before. As already reported, an inter-state agreement on the border crossing points was prepared for initialling. The Lithuanian delegation submitted to the Russian delegation a list of debts to Lithuanian enterprises and organizations by Russian military units.

It was agreed in Moscow that experts of both countries will continue negotiations in April on transit by road and rail. The Lithuanian and Russian customs experts will also meet in April.

Virgilijus Bulovas said that, when discussing the problem of military transit, it was explained to the Russian delegation that the regulations and status of such transit, as applied in Lithuania, are the same for all countries. They will be endorsed by the Seimas and will have the power of law.

Members of the Russian delegation stated that there is no intention to return archives removed from Lithuania. According to Virgilijus Bulovas, the Lithuanian group will try to ensure that the discussion on this issue continues. The next meeting of the Lithuanian and Russian delegations is scheduled for early May.

New Problems Surface

WS2303191594 Tallinn BNS in English 1600 GMT 23 Mar 94

[Text] Vilnius, Mar 23, BNS—Russia's positions have become firmer, Virgilijus Bulovas, head of the Lithuanian working group for talks with the CIS, said on his return from a two-day round of talks in Moscow.

During their meeting in the Russian capital Monday [21 March] and Tuesday, Lithuanian and Russian negotiation teams initialled a bilateral agreement on border crossings.

At a press conference in Vilnius Wednesday, Bulovas said the Lithuanian group paid primary attention to the implementation of the Lithuanian-Russian agreements signed last November and the fate of Lithuanian savings kept in the former Vneshekonombank and the Soviet Savings Bank.

The Lithuanian negotiator said the Russian delegation focused on problems related to the Kaliningrad region. In Bulovas' words, his Russian counterpart Viktor Isakov complained of a number of problems as if encountered by the region, but when a separate group discussed Kaliningrad matters, only two problems remained—customs duties and Russian transit through Lithuania by rail and by road. Both issues should be discussed in April, the Lithuanian diplomat said.

Russia also raised the problem of military transit. The Lithuanian group said there are no intentions to sign a military transit agreement, but there will be transit regulations instead. The Russian side said it would like experts to hold consultations on military transit in May. This request was registered in the meeting's protocol but Lithuania did not promise anything, Bulovas said.

Lithuanian negotiator Raimondas Barcevicius, who deals with commercial and economic matters, said presidents may have to intervene to achieve enforcement of economic and commercial treaties. Barcevicius said the agreement on the most favored nation trade status does not function because it has not been ratified by Russia. Moreover, he said, export to Russia became even more difficult in March when Russia changed its customs regulations. In Barcevicius' opinion, it becomes useless for Lithuania to renew its agreement with the Moscow city administration.

The negotiator said Russia uses its new parliament as a cover to link the ratification of the most favored nation trade status agreement with a number of other problems.

Barcevicius said similar problems are encountered in dealing with the return of lost savings. Ricardas Seidelis, also a member of the Lithuanian group, said Russia tries to link the return of savings with the problem of covering internal debts of the former Soviet Union.

Seidelis said Russia's reaction was stormy when Lithuanian negotiators noted the matter might be referred to international arbitration. In his words, the Russian delegation immediately assured that the problem can be solved without any international interference.

Special Statute on Military Transit Projected

WS2303195894 Tallinn BNS in English 1600 GMT 23 Mar 94

[Text] Vilnius, Mar 23, BNS—A draft statute on transportation of military and dangerous cargos through Lithuanian territory will be submitted to the government for consideration by April 1. According to an April 22 government resolution, the document will be drafted by the Ministries of Defense and Transportation, as well as other state institutions concerned.

The government decided that until the statute comes into effect, military and dangerous cargos will be transported in accordance with the Lithuanian-Russian documents signed last November, namely the agreement on transit of Russian troops withdrawing from Germany and the protocol on transit regulations.

The government also appointed commissioners who will deal with the transportation of military and dangerous cargos through Lithuania. Defense Minister Linas Linkevicius was named to be the chief commissioner. He will be assisted by the chief inspector of the Lithuanian Dangerous Cargo Transportation Inspection, Algirdas Jurkevicius.

Lithuania To Continue Kaliningrad Army Housing

PM2403114394 Moscow KRASNAYA ZVEZDA in Russian 24 Mar 94 p 3

[Report by Valeriy Gromak: "Lithuanians Promise To Continue Housing Construction in Kaliningrad"]

[Text] A meeting has been held in Vilnius between Lithuanian Prime Minister Adolfas Slezevicius and Admiral Vladimir Yegorov, commander of the Baltic Fleet, and Yuriy Matochkin, chief of the Kaliningrad Oblast administration.

The sides examined a question of extreme important both for the Baltic Fleet command and for the Kaliningrad Oblast administration: the construction by the Lithuanian "Selma" association of housing for the units which are being withdrawn from the Baltic states. As KRASNAYA ZVEZDA has already described, after the Lithuanian special services had arrested "Selma" President Vladas Laurinavicius, to whom the Russian Federation defense minister was to have presented, during a trip to Kaliningrad, the Russian Government's directive stipulating the terms for extinguishing our debt to the firm, the construction has been threatened with disruption.

On the day we arrived in Vilnius the Lithuanian newspapers published a series of articles about the scandal involving the "Selma" president's arrest. RESPUBLIKA, for instance, published a photograph of Laurinavicius with the following caption: "Search among military and their business partners." LIETUVOS RYTAS had "Russian Generals Make Strategic Withdrawals," and so forth.

"The Lithuanian side's position is unequivocal," Prime Minister Adolfas Slezevicius stated repeatedly at the talks. "We shall continue the construction." As for the arrest of "Selma's" general director, Lithuania's general prosecutor, Arturas Paulauskas, gave the following explanation: "When Laurinavicius' apartment was searched TNT was discovered. He was arrested. I saw the TNT, there are little holes in which a charge can be inserted...." Actually this explanation from the general prosecutor made even Jonas Gyachas, deputy minister of national defense, smile....

At the meeting Yuriy Semenovich Matochkin raised a question which is a painful one for the oblast today—the question of the transit of freight transport across Lithuania. These and other questions will be discussed in Kaliningrad 24 March when a working group headed by Lithuanian Deputy Foreign Minister Vladislav Domarkas will arrive here.

And here is the official assessment of the meeting. Lithuanian Prime Minister Adolfas Slezevicius:

"'Selma' is carrying out a very large program of construction in Kaliningrad. The first contract concluded between the Russian Armed Forces leadership and the Lithuanian Government has already been fulfilled. Now a commercial contract is being fulfilled with the 'Selma' association. The arrest of 'Selma's' president worried Minister Mr. Grachev and the Kaliningrad Oblast and Baltic Fleet leadership. That is why today's meeting was necessary. We confirmed that the Lithuanian Government will make every effort to ensure that the construction of residential regions in Kaliningrad does not cease."

Yuriy Matochkin, head of the Kaliningrad Oblast administration:

"The aim of our trip is to convince ourselves that the incident involving the arrest of the 'Selma' president should in no way influence working relations between Kaliningrad Oblast and the Lithuanian Republic, that the construction of the residential region in which the inhabitants of the oblast and the Lithuanians working on the construction site are both interested should not stop. I note with satisfaction that here we have encountered the understanding of Mr. prime minister."

Admiral Vladimir Yegorov, commander of the Baltic Fleet:

"'Selma' is constructing for us on credit. The fleet's debts to the association are about 3 billion rubles. For us it is important to retain the pace of construction and increase it in the future. And we are very distressed that this incident involving 'Selma' President Vladas Laurinavicius has occurred...."

Adviser: Baltic Summit 'Will Be Interesting'

WS2303101394 Tallinn BNS in English 0658 GMT 23 Mar 94

[Text] Vilnius, Mar 22, BNS—Justas Paleckis, the Lithuanian president's foreign policy adviser, said the forthcoming meeting between the presidents of Estonia, Latvia and Lithuania "will be interesting," but he declined to specify the issues included in the summit's agenda.

The Baltic presidents are scheduled to meet in the Lithuanian seaside resort of Palanga Friday [25 March].

According to the official program of the summit, Estonian President Lennart Meri and Lithuanian President Algirdas Brazauskas intend to hold a separate meeting before they are joined by Latvian President Guntis Ulmanis.

The three leaders will then have a working lunch.

Later in the afternoon, the presidents and accompanying Estonian, Latvian and Lithuanian delegations will gather for a joint meeting. The three presidents will later continue discussions in a separate room.

A farewell dinner will complete the summit.

Brazauskas, Israeli Envoy Discuss Relations

WS2303211694 Tallinn BNS in English 1851 GMT 23 Mar 94

[Text] Vilnius, Mar 23, BNS—Lithuanian President Algirdas Brazauskas on Wednesday [23 March] received Israel's Ambassador to Lithuania Ms. Tova Herzl. Herzl, who resides in Riga, also represents Israel in Latvia and Estonia. The two widely discussed newspaper articles, especially in the American press, such as "Lithuania's List" in THE WASHINGTON POST last week, accusing Lithuania of rehabilitating persons involved in genocide against Jews.

Justas Paleckis, the Lithuanian president's foreign policy adviser, said Brazauskas emphasized that several hundred people were denied rehabilitation. He added that a number of Nazi war criminals were put on trial in post-war years when it was quite difficult to "slip past." The Lithuanian leader said Lithuania is prepared to help investigate genocide against Jews, Lithuanians and other nations. Herzl said she is satisfied that persons convicted in post-war years are not rehabilitated automatically.

The president and the ambassador also discussed bilateral relations between their countries. Brazauskas said Tel Aviv is always at the top of the list when creation of new Lithuanian Embassies is discussed. Paleckis quoted Herzl as saying that a top-ranking Lithuanian official is expected to visit Israel this year.

French Embassy Statement Welcomes Polish Treaty

WS2303141894 Tallinn BNS in English 1310 GMT 23 Mar 94

[Text] Vilnius, Mar 23, BNS—France welcomes the initialing of the Lithuanian-Polish political treaty, which is a major contribution to enhancing stability in the region, the French Foreign Ministry spokesman said in a statement circulated Wednesday [23 March] by the Embassy of France in Vilnius.

According to the statement, the treaty fully conforms to the principles of the Pact on European Stability. France welcomes the resolute and positive steps of both sides in overcoming disputes of the past and in opening a new page in the history of both states, the statement said.

The Polish-Lithuanian agreement on friendship and cooperation was initialed in Warsaw March 18. Lithuanian and Polish presidents are expected to sign the accord this spring.

New Russian Military Attache Arrives in Vilnius

WS2303195694 Tallinn BNS in English 1600 GMT 23 Mar 94

[Text] Vilnius, Mar 23, BNS—Nikolay Obertyshev, Russia's ambassador to Lithuania, proposed a toast to "future NATO members" Lithuania and Russia during an official ceremony at the Lithuanian Defense Ministry Wednesday [21 March]. Colonel Nikolay Pivovarchuk, Russia's military attache, was introduced to Lithuanian Defense Minister Linas Linkevicius. The ceremony was attended by General Jonas Andriskevicius, Lithuanian defense forces commander in chief, and some other Defense Ministry officials.

For three years Colonel Pivovarchuk served as the assistant head of the Soviet military mission in Europe and later headed a department of the Russian Armed Forces staff. Before his present appointment, Pivovarchuk was a military and political adviser to the Russian Embassy in Vilnius.

The Russian military attache said his primary task in Lithuania will be "to develop friendship, cooperation and mutual understanding." In his opinion, work in this direction will not be affected by the recent arrest of a Lithuanian businessman whose company builds housing for the Russian military in the Kaliningrad region. Pivovarchuk said he is certain that more Russian military attaches will soon come to work in Lithuania because of its "specific character"—many Russian citizens and former servicemen.

The Russian colonel will reside in Vilnius. He is the 16th foreign military attache accredited in Lithuania.

Diplomatic Relations Established With Nicaragua

LD2403114394 Vilnius Radio Vilnius Network in Lithuanian 1000 GMT 24 Mar 94

[Summary] The Lithuanian permanent representative at the United Nations and the Nicaraguan deputy permanent representative signed a communique yesterday on the establishment of diplomatic relations between Lithuania and Nicaragua.

Ex-Minister Alludes to 'Defamation Campaign'

WS2303135494 Tallinn BNS in English 1002 GMT 23 Mar 94

[Text] Vilnius, Mar 23, BNS—Ex-Lithuanian Defense Minister Audrius Butkevicius supposes that the recent search in his apartment, as well as the arrest of Vladas Laurinavicius, president of the Kaunas-based Selma association, are part of a defamation campaign which is already coming to light.

At a press conference in Vilnius Tuesday, Butkevicius said the campaign was initiated by certain politicians who want deterioration of Lithuanian-Russian relations and seek to strike a blow to Russia's democratic forces, President Boris Yeltsin and Defense Minister Pavel Grachev. The former minister said businessmen who are annoyed by Selma's activities are also involved in the affair. Butkevicius said other motives are even more pragmatic. He noted that in order to complete the withdrawal of Russian troops from Lithuanian territory in time it was necessary to prove to the Russian military that every family would be given an apartment. But neither Lithuania nor Russia had money to build housing.

The ex-minister said an agreement was reached that the money paid by Lithuania for Russian weapons would be used for the purpose. Lithuania purchased 5,000 Russian-made automatic rifles and two PT boats. Russia chose Selma to build apartments by way of contest and agreed to transfer the money to its account.

Butkevicius noted that the sum paid for the weapons was enough to carry out only part of the housing project. In his words, Russia decided to find other ways of financing the project and agreed with Selma to barter oil for apartments. The former minister said a barter contract

was supposed to be signed in Kaliningrad March 18, but the association's president was arrested.

Butkevicius said actions of the Lithuanian prosecutor's office clearly show that the whole case is fabricated. The ex-minister said everybody, including himself, found out 10 days in advance that searches would be carried out in apartments of former and present Defense Ministry employees. There were constant leaks of information and "even if anybody had anything, nothing was kept at home," he said.

In Butkevicius' opinion, an attempt is made to create tension in Lithuanian-Russian relations. "Everybody knows that an army, whose concentration in the Kaliningrad region is the biggest in Europe, can be involved in politics only through social problems."

The ex-minister sharply criticized activities of Prosecutor General Arturas Paulauskas, MP Vytautas Petkevicius, who heads the parliament's National Security Committee, and MP Vytautas Juskus, who is the head of the parliamentary economic crimes commission. Butkevicius said he met with Prime Minister Adolfas Slezevicius Monday and agreed to participate, if necessary, in the premier's meeting with the military and administrative leadership of the Kaliningrad region. "But when I found out that such experts as Paulauskas, Petkevicius and Juskus would take part—I decided to hold aloof."

Butkevicius categorically denied reports that the actual weapon prices considerably differed from the ones indicated in contracts. The ex-minister said he expected a scandal and has documents and contracts to deny all accusations.

Calls Prosecutor's Actions Illegal

WS2303211894 Tallinn BNS in English 1851 GMT 23 Mar 94

[Text] Vilnius, Mar 23, BNS—Ex-Lithuanian Defense Minister Audrius Butkevicius has publicly accused the Prosecutor General's Office of illegal actions against him. In a written statement presented to Prosecutor General Arturas Paulauskas, the former minister said he will use "all legal measures, including extreme ones" to defend himself against the "self-will" of the prosecutor's office.

In order to avoid conflicts, Butkevicius demands to stop the official investigation of the alleged financial violations in the purchase of weapons for Lithuania's defense forces in 1992-93 and to stop legal proceedings against him. The former minister also demands to return the property that was seized during a search in his apartment.

Last week, over 20 searches were carried out in apartments of former and present Defense Ministry employees, including Butkevicius.

In his March 21 statement, published by the RESPUBLIKA newspaper Wednesday, Butkevicius said he did not commit any crimes during his service as defense minister. Butkevicius said he is prepared to explain how the weapons were bought, however "not as criminal, but as a former Lithuanian defense minister."

Currency Market Reacts Promptly to Litas Law

WS2203200494 Tallinn BNS in English 1629 GMT 22 Mar 94

[Text] Vilnius, Mar 22, BNS—The litas reliability law that was adopted last Thursday [17 March] caused quite a stir on the Lithuanian hard currency market.

The law provides for pegging the Lithuanian litas to one specific hard currency. According to the new law, which comes into effect April 1, all lits released into circulation will be fully backed by hard currency and gold reserves of the central bank.

On Monday, Lithuanian commercial banks virtually stopped selling hard currency and only some banks sold the U.S. dollar for 4.10 lits instead of the earlier 3.93. The exchange rate of other hard currencies went up by 0.02-0.05 litas. The official U.S. dollar rate did not change so sharply. It edged up by 0.01 litas on Monday and by another 0.05 litas on Tuesday.

Trading became more active at the Lithuanian Interbank Currency Exchange. The volume of trade last week ran at 1-1.5 million U.S. dollars but increased to nearly 5 million on Monday and topped 2.5 million on Tuesday.

Julius Niedvaras, president of the Lithuanian Commercial Banks Association, told Lithuanian TV that commercial banks are waiting and do not quite know how to act. In Niedvaras' opinion, if the litas rate against a chosen hard currency will be set in Lithuania, it is possible that the exchange rate will be around 4 lits to the U.S. dollar, but if the decision is made in Washington, for example, the rate may set at 3.5 lits to the dollar.